RESOLUTION NO. 1631

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOQUALMIE, WASHINGTON, ADOPTING FINDINGS OF FACT, CONCLUSIONS OF LAW AND CONDITIONS APPROVING THE MILL SITE PLANNED COMMERCIAL INDUSTRIAL (PCI) PLAN, NO. PCI 17-0001.

WHEREAS, the City of Snoqualmie is authorized under Chapter 35A.63 to adopt land use plans and development regulations, and to adopt comprehensive plans under Chapter 36.70A; and

WHEREAS, the City has adopted land use regulations governing the development and redevelopment of property, which regulations are codified in Title 17 of the Snoqualmie Municipal Code ("SMC"); and

WHEREAS, Snoqualmie Mill Ventures, LLC ("SMV") is the owner of a 261acres that is a portion of the former Weyerhaeuser Company lumber mill site ("Mill Site") located north of Snoqualmie's historic downtown, north of Borst Lake and to the east of Mill Pond Road; and

WHEREAS, the Mill Site is located in the City's Planned Commercial Industrial District ("PCI District"), and development in the PCI District requires a type of project referred to as a Planned Commercial Industrial Plan ("PCI Plan"); and

WHEREAS, SMV submitted PCI Plan application No. 2017-0001 on March 22, 2017, which application was determined by City staff to be complete on April 17, 2017; and

WHEREAS, the PCI Plan provides for the redevelopment of the Mill Site over a 20-year period, which at full buildout would include 1.83 million square feet; and

WHEREAS, under the PCI Plan, the majority of the Mill Site will remain undeveloped and be maintained for open space, trails, landscaping, wetlands and streams, wildlife habitat and

flood storage. The remainder of the Mill Site will be developed in phases over approximately 20 years; and

WHEREAS, the PCI Plan divides the Mill Site into three planning areas that correspond to phases of development: Planning Area 1 will contain 604,000 square feet of development including a mix of light industrial, commercial/retail, warehouse and residential uses along a pedestrian-oriented main street; Planning Area 2 is envisioned to be developed with warehouse and manufacturing uses; and Planning Area 3 is envisioned to be developed with office uses; and

WHEREAS, the City assumed the role of lead agency for review of the PCI Plan for compliance with the requirements of the State Environmental Policy Act (SEPA); and

WHEREAS, environmental impacts of the development proposed by the PCI Plan were identified and considered through the Snoqualmie Mill Planned Commercial/Industrial (PCI) Plan Draft and Final Environmental Impact Statements, issued on April 27, 2020 and December 17, 2021 respectively, and collectively referred to herein as the "EIS"; and

WHEREAS, an appeal of the adequacy of the EIS was filed on December 22, 2021 by a group named Snoqualmie Community Action Network ("SCAN"); and

WHEREAS, as required by applicable law (including SMC 19.04.235(C) and SMC 14.30.080(G)) require that a Hearing Examiner hold a single, consolidated, open-record public hearing on the Mill Site PCI Plan and the SEPA Appeal, the public hearing on the proposed PCI Plan was combined with the hearing on SCAN's appeal of the EIS; and

WHEREAS, a public hearing on the proposed PCI Plan was held before the Hearing Examiner via Zoom on March 30, 2022 at 4:00 p.m., and a continued hearing was held April 4 through April 8, 2022, on SCAN's EIS appeal; and

WHEREAS, following post-hearing briefing and submittal of proposed findings of fact and conclusions of law from SMV, SCAN and City staff, on June 28, 2022, the Hearing Examiner issued written Findings, Conclusions and Decisions ("Hearing Examiner Decision"), concluding that, based on a review of the record as a whole, the level of environmental analysis in the EIS satisfied the legal standard known as the "rule of reason," that SCAN's case failed to show that the City SEPA Responsible Official's determination of adequacy for the EIS was clearly erroneous on any point, and that the Responsible Official's determination of EIS adequacy should be affirmed; and

WHEREAS, the Hearing Examiner further concluded that the record as a whole demonstrated compliance with Snoqualmie Municipal Code criteria governing approval of a PCI Plan, and therefore recommended that the City Council approve the Snoqualmie Mill Site PCI Plan subject to the Hearing Examiner's recommended conditions of approval; and

WHEREAS, the Hearing Examiner Decision contemplated that the PCI Plan and recommended conditions of approval would be implemented through a development agreement between SMV and the City, to guide subsequent planning and development of the overall site in accordance with the Snoqualmie Mill PCI Plan; and

WHEREAS, pursuant to SMC Sections 17.20.050(K), 17.50.090(D) – (F) and 17.50.130, the City Council considered the PCI Plan, the Findings, Conclusions and Decision of the Hearing Examiner in a closed record proceeding commencing on July 11, 2022 and continuing through the following meetings:

July 25, 2022 Roundtable and Regular Council Meeting
July 26, 2022 Special Meeting
August 8, 2022 Roundtable and Regular Council Meeting
August 9, 2022 Special Meeting
August 23, 2022 Special Meeting
September 8, 2022 Special Meeting

October 24, 2022 Regular Council Meeting;

and

WHEREAS, because the Hearing Examiner Decision anticipated that PCI Plan conditions of approval would be implemented through development agreement, the City Council also considered a proposed Snoqualmie Mill Planned Commercial / Industrial Development Agreement ("Mill Site DA") commencing on September 8, 2022 and continuing through the following meetings:

September 13, 2022 Special Meeting
September 26, 2022 Roundtable and Regular Council Meeting
September 27, 2022 Special Meeting
October 10, 2022 Regular Council Meeting
October 11, 2022 Special Meeting
October 19, 2022 Special Meeting
October 24, 2022 Regular Council Meeting;

And

WHEREAS, the City Council considered the PCI Plan, the EIS, the Hearing Examiner's Decision (including the Examiner's Findings of Fact and Conclusions of Law related to the EIS Appeal) and the record compiled by the Hearing Examiner (including exhibits and testimony admitted by the Examiner);

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOQUALMIE, WASHINGTON, **AS FOLLOWS**:

Section 1. **Hearing Examiner and Staff Report Findings of Fact, Conclusions of Law Adopted.** The City Council hereby makes and enters Findings of Fact and Conclusions of Law by adopting by reference the Hearing Examiner's Findings of Fact and Conclusions of Law related to the Planned Commercial Industrial Plan, as follows:

Summary of Record and Procedural History: Hearing Examiner Decision at pages 1-2;
Summary of Testimony and Exhibits: Hearing Examiner Decision at pages 4-6

Findings of Fact 1-8 (Mill Site PCI Plan and Mill Context and Surroundings), Hearing Examiner Decision at pages 6-8
Findings of Fact 9-15 (PCI Plan Application and SEPA Review), Hearing Examiner Decision at pages 8-10;
Findings 74-91 (PCI Plan Findings), Hearing Examiner Decision at pages 34-41;
Conclusion on Jurisdiction, Hearing Examiner Decision at page 41;
Conclusions – PCI Plan Approval, Hearing Examiner Decision at pages 45-46;
Conclusions Based on Findings (PCI Plan Application) Nos. 14-18, Hearing Examiner Decision at pages 57-59.

The Hearing Examiner's Findings, Conclusions and Decision are attached as Exhibit A hereto. To the extent that the Hearing Examiner's Findings and Conclusions adopt by reference findings of fact and conclusions of law from the Staff Report, the City Council adopts those same Staff Report Findings and Conclusions by reference. The Staff Report (without attachments) is attached as Exhibit B hereto. The City Council's modifications and amendments of said Findings and Conclusions are based on the Council's review of the record as a whole and applicable provisions of the Snoqualmie Municipal Code, and are shown in underscore/strikeout in Exhibits A and B, respectively.

To the extent that any Finding of Fact should properly be considered to be a Conclusion of Law, or any Conclusion should properly be considered to be a Finding of Fact, said Finding of Fact or Conclusion of Law shall be so considered. To the extent that any Hearing Examiner Findings, Conclusions or Conclusions Based on Findings are denominated in the Hearing Examiner Decision as related to SEPA or the EIS Appeal and are not listed above, said Findings, Conclusions and Conclusions Based on Findings are also hereby adopted to the extent necessary to support the PCI Plan decision below, notwithstanding the absence of any specific itemization herein.

Section 2. Approval of the Mill Site Planned Commercial/Industrial Plan. Based on the Findings of Fact and Conclusion of Law adopted in Section 1 above, and pursuant to SMC Sections 17.20.050(K) and 17.50.090(F), the City Council hereby approves the Mill Site Planned

Commercial/Industrial Plan, No. 2017-0001 in the form attached as Exhibit D ("PCI Plan Application"), subject to all of the Hearing Examiner's recommended Conditions of Approval, which are hereby adopted by reference and are set forth in Exhibit C to this Resolution. The City Council's modifications and amendments of said Hearing Examiner recommended Conditions of Approval are based on the Council's review of the record as a whole and applicable provisions of the Snoqualmie Municipal Code, and are shown in underscore/strikeout in Exhibit C attached hereto.

Section 3. Effective Date. This resolution shall be effective immediately upon passage and execution by the Mayor.

Section 4. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Attorney and/or City Clerk are authorized to make necessary corrections to this Resolution, or the exhibits thereto, including the correction of clerical errors; references to local, state or federal laws, codes, rules, or regulations; or section /subsection numbering and/or headings.

PASSED by the City Council of the City of Snoqualmie, Washington this 24th day of October 2022.

Katherine Ross

Katherine Ross, Mayor

Attest:

Reina McCauley

Reina McCauley, Deputy City Clerk

Approved as to form:

Bob C. Sterbank

Bob C. Sterbank, City Attorney

EXHIBIT A

SNOQUALMIE HEARING EXAMINER

FINDINGS, CONCLUSIONS AND DECISIONS

PCI 17-0001, MILL SITE PLANNED COMMERCIAL INDUSTRIAL PLAN

SUMMARY OF DECISIONS

Based on a review of the record as a whole, the level of environmental analysis in the EIS satisfies the rule of reason. The Appellant's case failed to show that the SEPA Responsible Official's determination of adequacy for the final environmental impact statement SEPA 2017-0003 prepared in review of planned commercial industrial plan application PCI 2017-0001 was clearly erroneous on any point. The Responsible Official's determination of EIS adequacy is **AFFIRMED.** Further, the record as a whole demonstrates compliance with the criteria for approval of the PCI Plan, in which the City's Hearing Examiner **RECOMMENDS** APPROVAL to the City Council.

SUMMARY OF RECORD

Request

Snoqualmie Mill Ventures LLC (Applicant) requested approval of a planned commercial/ industrial plan (PCI Plan) to redevelop the 261-acre former Weyerhaeuser Company lumber mill site (mill site) located north of downtown Snoqualmie over a 10- to 15-year period. The proposed PCI Plan would divide the area into three distinct areas (planning areas) for purposes of planning and permitting; each planning area generally corresponds to a phase of development, and the amount and detail of information vary among the planning areas. A mix of residential, commercial, and industrial uses is proposed over the three phases.

The City of Snoqualmie Community Development Department (City or Department) assumed the role of lead agency for review of the PCI Plan for compliance with the requirements of the State Environmental Policy Act (SEPA). The SEPA Responsible Official issued an environmental threshold determination of significance (DS) with the agreement of the Applicant. Technical information subsequently provided by Applicant consultants was reviewed by City officials and City consultants performing third-party review, and was described in an April 27, 2020 draft environmental impact statement (DEIS). The City accepted and reviewed comments on the DEIS during an extended public comment period and subsequently published the final environmental impact statement (FEIS or EIS), which incorporates the DEIS, on December 9, 2021. The EIS was timely appealed by the Snoqualmie Community Action Network (SCAN or Appellant) (appeal no. APP22-0001).

Pursuant to SMC 19.04.235.C and SMC 14.30.080.G, the underlying Snoqualmie Mill PCI Plan (the proposal) and the SEPA appeal of the City's FEIS are required to be considered in a single, consolidated open record hearing.

Pursuant to Snoqualmie Municipal Code (SMC) 19.04.235.C, the City's Hearing Examiner must determine whether the EIS is adequate, and if yes, whether to recommend approval of the PCI Plan.

Procedural History

A virtual pre-hearing conference was held on February 11, 2022, at which all three parties were represented by counsel. Scheduling of the hearing and pre-hearing document exchange was discussed and agreed to during this conference. The City and Applicant submitted timely pre-hearing motions to dismiss/dismiss in part the FEIS appeal. The City's motion to dismiss for lack of standing was dismissed. The Applicant's motion to narrow the scope by dismissing certain alleged errors/portion of alleged errors was granted in part.
A virtual public hearing on the PCI Plan was convened on the evening of March 30, 2022. The City and Applicant submitted timely written post-hearing responses to the public comment received during the permit application hearing.

A virtual open-record hearing on the EIS was held as scheduled during the days of April 4, 5, 6, 7, and 8, 2022. All parties submitted timely post-hearing written legal argument in the appeal. At the close of the hearing, the parties agreed to a June 24, 2022 decision issuance deadline. During the end-of-hearing procedural conversation regarding the decision issuance deadline, one or more parties suggested submission of proposed findings and conclusions. Via post-hearing procedural email around the time of issuance of ruling on exhibit admission, the undersigned requested that the parties submit proposed findings and conclusions, and all parties agreed by email. Proposed findings and conclusions from the Appellant and joint proposed findings and conclusion from City and Applicant were timely submitted on June 1, 2022.

* * *

Testimony

The following individuals provided testimony under oath in the March 30, 2022 open record public hearing on the PCI Plan application:

Permit Hearing witnesses
Jason Rogers, Interim Community Development Director
Bob Sterbank, City Attorney
Courtney Kaylor, Land Use Attorney for Applicant
Stephen Rimmer, Managing Member for Applicant
Keith Goldsmith, P.E., Goldsmith Engineering
Richard Weinman, Weinman Consulting, LLC, Applicant Representative
Sharilyn Lux
Carson Maestas

Jeff Groshell
Peggy Shepard
Cristie Coffing
Dawn Harper
Harold Erland
Wayne Russel
Richard Scheel on behalf of SCAN
Karen Yoshitomi, Executive Director of Japanese Cultural Center
Monica Lowney
Kenya Dillon
City of Snoqualmie Hearing Examiner Findings, Conclusions, and Decisions
Snoqualmie Mill Ventures LLC, Snoqualmie Mill PCI Plan Application PCI 2017-0001
Snoqualmie Community Action Network (SCAN) FEIS Appeal, File No. 22-0001 page 5 of 79
Robin Gray
Julie Lake
Larry Fischerk
Anna Boranian

SEPA Appeal

At the April 4 through 8, 2022 virtual open record appeal hearing, the following individuals presented testimony under oath during the SEPA appeal portion of the proceedings:[1]

Appellant SEPA witnesses
Pam Jenkins, P.E., Environmental Engineer
Lacy Linney, SCAN member
Harold Erland, Snoqualmie resident
Jae Hill, Principal Planner, King County Department of Local Services
Richard Jack, Water Quality Planner III, King County Department of Natural Resources and
Dr. Sarah Spear Cooke, Wetland Scientist
Gary Norris, P.E., P.T.O.E., Traffic Engineer
Brian Derdowski

Applicant SEPA witnesses

Chris Wright, B.S., Soil and Wetlands Scientist, Raedeke Associates, Inc.
Keith Goldsmith, P.E., Goldsmith Engineering
Richard Weinman, Weinman Consulting, LLC, Applicant Representative
Jeff Schramm, Principal, Transportation Engineering Northwest
Cliff Schmitt, Principal Hydrogeologist, Farallon Consulting
City SEPA witnesses
Michele Campbell, P.E., RH2
Mark Johnson, Environmental Science Associates / Interim SEPA Responsible Official
Chris Breiland, Principal, Fehr & Peers

[1] For the sake of expediency, the undersigned agreed to accept testimony of witnesses called by the City and the Applicant in the appeal as applicable to both the SEPA appeal and the PCI Plan hearing.

Jason Rogers, Interim Community Development Director

Attorney Representation at hearing
For Appellant Snoqualmie Community Action Network:
Audrey Clungeon, Attorney, Bricklin & Newman LLP
David A. Bricklin, Attorney, Bricklin & Newman LLP
Alex Sidles, Attorney, Bricklin & Newman LLP
For Applicant Snoqualmie Mill Ventures LLC:
Courtney A. Kaylor, Attorney, McCullough Hill Leary, PS
David P. Carpman, Attorney, McCullough Hill Leary, PS

For the City:
Bob Sterbank, City Attorney
Anna Astrakhan, Assistant City Attorney

Exhibits
The exhibits admitted in the record of these consolidated proceedings are listed at the end of the document in Appendix A.

Having fully reviewed the record developed through the consolidated open record hearing process, and having duly considered the proposed findings and conclusions from the parties, the undersigned finds that the statements of the evidence and law as forwarded in the joint proposal accurately reflect the record and applicable legal requirements, and the undersigned adopts the joint proposed findings and conclusions submitted by the City and Applicant addressing the PCI Plan and the SEPA appeal, as amended herein.[2]

FINDINGS

1. Snoqualmie Mill Ventures LLC (Applicant) requested approval of a planned commercial/industrial plan (PCI Plan) to redevelop the 261-acre former Weyerhaeuser Company lumber mill site (Mill Site) located north of downtown Snoqualmie over a 10-to 15-year period. The proposed PCI Plan would divide the Mill Site into three planning areas for purposes of permitting, with each planning area corresponding to a phase of development. More detailed information was provided regarding presently proposed development in Planning Area 1, while general conceptual information was provided for Planning Areas 2 and 3. At full build out, a mix of residential, commercial, and industrial uses is proposed over the three phases. *Exhibits 1, 1.A, and 1.B.*

Context of Mill Site and Surroundings

2. The mill site is the location of a massive lumber sawmill operation (Mill) that began in 1917 by the Snoqualmie Falls Lumber Company, which merged with the Weyerhaeuser

[2] The proposed Findings as adopted and modified are not intended to reflect a full recitation of all facts introduced at the consolidated hearing through testimony and documents; rather they are intended to identify and summarize the evidence that informs the conclusions of the Hearing Examiner.

Timber Company in 1948. To the immediate east of the current Mill Site boundary was the site of the original Town of Snoqualmie, which was developed with a hospital, school, post office, general store, barber shop, railroad depot, and a community center / YMCA, as well as 250 homes for Mill employees. *Richard Weinman Testimony; see historical photos in Exhibit R3, City Motion to Dismiss, pages 2-3; also Exhibit R3, Astrakhan Declaration, Exhibit A.*

3. In 1994, while Mill operations remained ongoing, the City adopted the Snoqualmie Vicinity Comprehensive Plan (SV Comprehensive Plan). At that time, the City's population was 1,565, and the City was just commencing the long-range planning for multiple large annexation areas, which included the areas that eventually became known as Snoqualmie Ridge I and II, the Snoqualmie Ridge Business Park, the Salish Lodge & Spa, Kimball Creek, Snoqualmie Hills, and the Mill Site. The 1994 SV Comprehensive Plan assigned land use designations for all of the potential annexation area, including designations of Planned Commercial / Industrial (PCI) and Planned Residential (PR) for the Mill Site. The master planned developments, particularly Snoqualmie Ridge I, provided an influx of infrastructure that was needed for the existing small city, as well as to serve new development. This infrastructure included a new wastewater plant, as well as water wells, a water treatment plant for treatment of iron and manganese, booster pump stations, and reservoirs. The master planned developments allowed the City to grow relatively quickly, to its current population of 14,478, while still preserving significant amounts of open space, critical areas, trees, and its small town feel. *Testimony of Richard Weinman and Jason Rogers; Exhibits 1 and R3, Astrakhan Declaration, Exhibit A.*

4. Weyerhaeuser operated the Mill until 2003, when the Mill ceased operations. Following the end of Mill operations, Weyerhaeuser sold a portion of its property to the Applicant, which commenced use of the site for a rally driving and training school, Ultimate Rally d/b/a Dirtfish Rally School, while also undertaking planning for redevelopment of the Mill Site. In 2015, SMV sold the portion of the Mill Site on which the hospital, community center and homes formerly stood to King County, which was acquiring property to facilitate construction of the Snoqualmie Valley Regional Trail link. *Richard Weinman Testimony; Exhibit R3, Astrakhan Declaration, Exhibit A.*

5. On October 24, 2011, the City and the Applicant entered into a Pre-Annexation Agreement concerning the Mill Site property. The Pre-Annexation Agreement provided that the City would not approve additional site development for the Mill Site until review of applicable Comprehensive Plan policies, approval of an Annexation Implementation Plan and, for any development in the PCI zone, approval of a PCI Plan. The City also adopted Ordinance 1086, which provided for zoning designations for the Mill Site parallel to the SV Comprehensive Plan designations - i.e., PCI and PR - that would become automatically effective immediately upon annexation of the property. In 2012, the property was annexed to the City. Upon annexation, the Mill Site was automatically designated for commercial and industrial uses by operation of the pre-annexation zoning ordinance, Ord. No. 1086. *Jason Rogers Testimony; Exhibits 1, 1.F, 1.G, and 1.H.*

6. In 2013, the City approved a new Comprehensive Plan entitled "Snoqualmie 2032," which in multiple places specifically provides for Mill Site redevelopment. The Mill site is designated as a Local Center for economic development (Ch. 3.F.3), as the Old Mill area for Community Character (Ch. 5.E.9), and as the Mill Site Planning Area for land use purposes (Ch. 7.E.3). Snoqualmie 2032 also adopted specific policies guiding the preparation of Annexation Implementation Plans (AIPs), including allowing deferral of preparation of an AIP until after annexation if a specific development proposal does not accompany annexation. In 2016, the City approved the Mill Site AIP. *Exhibit 1.* The Pre-Annexation Agreement, annexation, and AIP approvals are not at issue in the instant proceedings.

7. The Mill Site contains areas designated as geologic critical areas pursuant to the Snoqualmie Municipal Code, including erosion, landslide, steep slope, seismic, channel migration, and flood hazard areas. The entire site is within the 100-year floodplain of the Snoqualmie River. The western portion of the Mill Site contains both a channel migration zone and a portion of the floodway, critical aquifer recharge areas, and numerous wetlands. Significant portions of the Mill Site are within 200 feet of the ordinary high water marks of the Snoqualmie River and Borst Lake, which are waters of the state and thus within the jurisdiction of the City's Shoreline Master Program with Urban Conservancy and Urban Floodplain Shoreline Environments designations. Due to its historic industrial use, the overall Mill Site continues to contain contamination following more than a decade of localized cleanup activities. The Applicant has begun the process of preparing to remediate the Mill Site under the Washington State Model Toxics Control Act (MTCA) with the oversight of the Washington State Department of Ecology. in conjunction with development. Proceeds from the redevelopment of Planning Area 1, which was historically used for log storage and contains no known contamination, would fund complete clean up of the site under either a voluntary agreement or an agreed order. The Applicant's goal is to repurpose the Mill Site as a place where people continue to go to work for the next 100 years. *Exhibits 1, 5, C1, M14, and M15.*

8. Adjacent to the northwestern boundary of the City limits, the Mill Site is bounded by the City limits on the north, Borst Lake (also known as Mill Pond) on the south, Mill Pond Road on the west, and the hillside area owned by King County along 396th Drive SE on the east. The Snoqualmie River is within 200 feet of much of the west site boundary. Nearby uses include the City's wastewater treatment plant, a storage yard, and a gravel mining operation to the north. Snoqualmie Falls is approximately one-third of a mile northwest of the site, and downtown Snoqualmie is across the river to the southwest of the site. *Exhibits 1 and 1.B, Vicinity Map.*

PCI Plan Application and SEPA Review

9. In March 2017, the Applicant submitted an application for PCI Plan review. The PCI Plan involves the redevelopment of the Mill Site over a 10- to 15-year period, which at full buildout would include 1.83 million square feet of commercial, light industrial, warehouse, office, and mixed-residential uses as follows. Proposed to be developed first, 102-acre Planning Area 1 would contain 604,000 square feet of development including a mix of

light industrial, commercial/retail, warehouse, and residential uses along a pedestrian-oriented main street. Located in the northwest corner of the Mill Site, Planning Area 1 is closest to currently developed areas of the City and to existing infrastructure. Large portions of it are free of wetlands and other sensitive areas. Nonresidential uses in Planning Area 1 are proposed to focus on the production and storage of wine with supporting retail services such as tasting rooms and restaurants. Plans for Planning Areas 2 and 3 are still conceptual, with Planning Area 2 (northeast portion of the Mill Site) to be developed with warehouse and manufacturing uses and Planning Area 3 (central and southern portions of the Mill Site) with office uses. After full buildout of the Proposal, approximately two-thirds of the overall site (166 acres or 63%) would remain undeveloped and be maintained for open space, landscaping, wetlands and streams, wildlife habitat, and flood storage. *See Exhibit 1.B, Sheet SP-4, .pdf page154*. Only 37% of Planning Area 1 would be developed with buildings and other impervious surfaces. *Exhibits 1, 1.B (site plans beginning at .pdf page 151, Sheet SP1), C1 (see Exhibit 2.3-1, .pdf page 77 and Exhibit 2.3-11, .pdf page 98), and C6(A); Snoqualmie Municipal Code (SMC) 17.20.050(G).* For ease of reference, many of the most significant site plans and visual aids are gathered in the Applicant's hearing PowerPoint presentation. *Exhibit 5*.

10. The PCI Plan Proposal is premised on the Applicant's entering into a development agreement with the City, as authorized by Revised Code of Washington (RCW) 36.70B.170.[3] The Mill Site development agreement would guide the process for overall site development, including: identifying vesting provisions and exemptions from vesting; documentation of mitigation requirements and development conditions that apply to the project; any deviations from Code provisions that are permitted; procedures for future review and revision of the PCI Plan; requirements for additional State Environmental Policy Act (SEPA) review for subsequent phases of development; the term of the agreement; and provisions for specific aspects of the site or development, such as retention of open space, protection and enhancement of wetlands and buffers, road facilities, stormwater, and utilities. Recommended conditions of PCI Plan approval would require a development agreement. *Exhibit 1; Jason Rogers Testimony*.

11. As part of the PCI Plan submittal, the Applicant submitted an environmental checklist. The City and the Applicant jointly agreed that an environmental impact statement (EIS) should be prepared, and on May 3, 2017 the City's SEPA Responsible Official issued a determination of significance (DS) and notice of scoping. The City received written comments on EIS scope, held a public scoping meeting on May 23, reviewed approximately 50 written and verbal comments received, and issued a scoping memorandum on December 18, 2017. *Testimony of Jason Rogers and Richard Weinman; Exhibits C3 and 1E/C4.*

12. The Draft Environmental Impact Statement on the PCI Plan was issued on April 27, 2020. The timeframe between application and issuance was extended with agreement of the Applicant, and was necessary based in part of the size and complexity of the Proposal and in part on delays related to the Covid-19 pandemic. The DEIS identified and analyzed probable, significant adverse environmental impacts of the proposed PCI Plan and

potential mitigation measures for those impacts addressing the following areas of analysis: earth; noise; aesthetics/light and glare; air quality/greenhouse gases; land and shoreline use; parks and recreation; water resources; plans, policies, and regulations; transportation; plants and animals; population, housing, and employment; public services; environmental health; historic and cultural resources; utilities; and fiscal/economic impacts. Initial analyses comprising the Draft EIS were prepared by Richard Weinman of Weinman Consulting LLC, along with various subject matter experts. *Exhibits 1 and C2; Richard Weinman Testimony.*

13. With the Applicant's agreement, the City provided an extended public comment period for the Draft EIS, first extended to 45 days and then extended for an additional 40 days in response to public requests. A total of 125 written comment letters/emails were received, containing more than 1,000 individual comments, with some individuals and organizations submitting multiple comments. The City held a virtual public meeting during the comment period at which 21 people provided verbal comments, many of which echoed letters or emails from the same individuals. All comment letters and emails that were received from agencies, tribes, organizations, and individuals during the comment period are included in the final EIS. *Exhibits 1 and C1, FEIS Appendix A.*

14. The City's SEPA Responsible Official reviewed the initial submittals from the Applicant's consultant and subject matter experts and all public comment, and obtained third-party peer review by the City's on-call subject matter experts. Following this analysis, the City required the Applicant to provide additional analysis and revisions in various areas, including: stormwater, floodplain; SEPA procedures; various elements of the environment including earth/geological/water resources/plants and animals, environmental health, aesthetics, and noise; historic and cultural resources; transportation; and water and wastewater. Based on review of the additional information, City Interim SEPA Responsible Official Mark Johnson and Interim Community Development Director Jason Rogers determined that the FEIS contained a reasonably thorough discussion of the significant aspects of the probable environmental consequences of the proposed PCI Plan. Mr. Johnson and Mr. Rogers issued the FEIS on December 9, 2021. The FEIS is comprised of both the Draft EIS and the Final EIS documents. Notice of FEIS availability was published and directly provided to parties who had commented of the Draft EIS or expressed interest in the project, indicating an appeal deadline of December 23, 2021. *Testimony of Jason Rogers and Mark Johnson; Exhibits 1, C1, and C2.*

15. There was one change to the PCI Plan Proposal description between the Draft EIS and the Final EIS. The maximum height for three mixed-use buildings along proposed Mill Street was changed from 55 feet to 70 feet at the ridgeline. Note, this change corrected an error only in the Draft EIS project description; the aesthetics analysis in the Draft EIS addressed the 70-foot heights, including in the view simulations. *Exhibit 1*.

SEPA Appeal Findings

16. A citizen group called the Snoqualmie Community Action Network (SCAN) filed a timely appeal challenging the adequacy of the FEIS on December 22, 2021. *Exhibit S1*.

17. The conclusions in the DEIS and FEIS are summarized in the staff report prepared by Planning Staff for the PCI Plan application hearing in the record at Exhibit 1. Appellant witnesses in the EIS appeal disputed certain conclusions regarding whether the SEPA analysis was adequate or based on sufficient information, which are discussed below, but either did not dispute or did not offer evidence that would contradict these documents' factual statements and descriptions regarding the Mill Site and surrounding environment or the elements of the Proposal. The undersigned adopts the factual statements contained in Findings of Fact 61 through 185 of the PC Plan staff report. *Exhibit 1*. The following findings address the issues on appeal that remain following the ruling on motions to dismiss.

Appellant SEPA Case
Environmental Health

18. The accuracy of the EIS's description of the history of the Mill Site, including prior uses and cleanup activities, was not disputed during the hearing. As stated in the EIS and summarized in witness testimony, the portion of the Mill Site now identified as Planning Area 1 was largely forested through the 1960s, with some portions used for worker housing, before it was cleared and used for log storage. Planning Area 2 contained storage of dimensional lumber, and Planning Area 3 contained the heart of the Weyerhaeuser Mill Operations. It is undisputed that hazardous substances were released in Planning Areas 2 and 3 and that contamination remains of the site despite several previous investigations and remediation efforts. All parties acknowledged the Washington State Department of Ecology's site hazard assessment formally issued for the Weyerhaeuser Mill Site Facility on August 24, 2021, which identified the Mill Site as Site ID 73953138 and Model Toxics Control Act Cleanup Site ID 10346. The site hazard assessment determined the Mill Site to be contaminated with petroleum hydrocarbons, PCBs, PAHs, and phenols, and assigned a site hazard ranking, or estimation of the potential threat to human health and/or the environment relative to all other Washington state sites assessed at the time, a rank of 1, where a 1 represents the highest relative risk and 5 the lowest. *Testimony of Pam Jenkins, Cliff Schmitt, and Richard Jack; Exhibits S4, S5, C1, and C2.*

19. On the issue of environmental health, the Appellant offered the expert testimony of Pam Jenkins PE, an environmental engineer with experience in hazardous waste site cleanups. Ms. Jenkins advanced two primary assertions. First, she described some of the known areas of prior release of contamination in Planning Areas 2 and 3 and stated that there is insufficient data to conclusively determine that all contamination has been removed, even where prior remediation occurred. She stated that it was important to have a full understanding of on-site contamination before beginning construction or remediation activities in order to prevent inadvertent exposures. Her testimony relied on the studies, reports, and other documentation of these activities cited in the EIS. Ms. Jenkins did not challenge the accuracy of any of these studies. Rather she contended they did not

constitute a comprehensive investigation of site contamination, in part, because she believed the historical record and employee recollections upon which prior investigations were based could have been incomplete, and significantly, because she did not think there had been a sufficient distribution of physical testing locations throughout the Mill Site. In addition to the contaminants of concern identified by Ecology, based on her previous experience with/knowledge of other mill site clean ups, Ms. Jenkins submitted that the site was likely also contaminated with dioxins and furans, which she contended were not mentioned in the EIS. *Pam Jenkins Testimony; Exhibits S4, S5, S6, S7, S10, S11, S12, S13, S15, S26, S28, S33, S36, S37, and S46*.

20. Ms. Jenkins described several areas located in Planning Areas 2 and 3 that she believed to be of concern. In Planning Area 2, these included the site of a former lumber strapping area and petroleum-fueled transformer, both of which resulted in releases of diesel and oil range hydrocarbons in the soil. Acknowledging that prior remediation has been performed in the area of these releases, Ms. Jenkins testified that she believed additional investigation would be required to conclude that no contamination remains. In Planning Area 3, Ms. Jenkins testified that a former plywood plant building that burned to the ground had been surrounded by three transformers, two of which contained polychlorinated biphenyls (PCBs) that had leaked into the ground. Ms. Jenkins testified that PCBs are highly toxic and persistent in the environment and that they can migrate in groundwater. Ms. Jenkins testified that the soil around one of these transformers had been tested and found not to contain PCBs above cleanup levels required by the federal Environmental Protection Agency (EPA); however, she stated that it was not clear whether current EPA levels had been used. She also testified that next to the other transformer, PCB-contaminated soil had not been removed because it had been determined that a clay layer would adequately protect groundwater. Ms. Jenkins stated that the excavated area had later been covered with a membrane and partially fenced and that it was not known whether these measures continued to provide adequate protection. *Pam Jenkins Testimony; Exhibits S1.A, S14, S26, S28, S33, S36, S37, and S46.*

21. Ms. Jenkins testified that a chipping and debarking area had been located in Planning Area 3, and that the operation of this equipment had resulted in contamination from petroleum hydrocarbons. Contaminated soil had previously been removed from this area on at least two occasions; some of the soil was transported to an offsite landfill, and some of it was treated in bio-cells and re-compacted into the ground on site. To the west of this area, Ms. Jenkins testified that there were deposits of boiler ash, which depending on the type of combustion used could contain unsafe levels of dioxins and furans. Ms. Jenkins stated that the boiler ash had not been discussed in the EIS, and thus that for these areas she did not believe there had been sufficient investigation into whether/how much contamination remained. Because of the known presence of contamination in Planning Areas 2 and 3 and unknowns about earlier cleanup activity, Ms. Jenkins contended that a comprehensive investigation must be conducted prior to development. She submitted that because such a comprehensive investigation had not been performed and considered through the EIS process, the FEIS was inadequate. *Pam Jenkins Testimony; Exhibits S12, S13, S32, S33, and S34.*

22. Ms. Jenkins' second primary assertion was that the EIS did not rely on sufficient information to conclude that Planning Area 1 contains no contamination above MTCA levels. Ms. Jenkins did not contend that industrial uses known to have resulted in contamination had been located in Planning Area 1; however, she testified that it was possible that contamination could have been deposited if mill workers living in bunkhouses on the site had used fertilizer or pesticide to grow potatoes or had heated the bunkhouses with underground oil tanks. She identified other sources of possible contamination of Planning Area 1 as follows: she believed a railroad had run through the southern part of Planning Area 1; that Weyerhaeuser may have buried a transformer somewhere in the area; and that she believed wood waste had been used as fill in Planning Area 1, creating the potential for an explosion caused by methane released by decomposing wood. Ms. Jenkins acknowledged on cross-examination that she did not have specific evidence or knowledge that a railroad did in fact cross Planning Area 1, and did not have specific knowledge that transformers or underground heating oil tanks existed in any specific location in Planning Area 1. *Pam Jenkins Testimony.*

23. Ms. Jenkins testified that because the FEIS includes a summary of the Farallon Consulting supplemental investigation but does not include data sheets or lab results, she could not fully evaluate its conclusions. She submitted that the information included in the FEIS regarding potential contamination of Planning Area 1, and/or potential migration of contaminants from Planning Areas 2 and 3 into Planning Area 1, was insufficient to demonstrate that Planning Area 1 is suitable for development. She testified that the nine test pits drilled for the subsurface investigation were not sufficient in number or distribution to give an accurate picture of subsurface conditions due to the size of Planning Area 1, equating the sampling to nine pin holes in a king size blanket and to one test pit per 8.5 football fields of area. While acknowledging that she is not a licensed hydrogeologist, Ms. Jenkins testified based on her professional experience with other cleanups that, in her opinion, insufficient groundwater monitoring information had been collected to allow the City to have an informed understanding of how contaminants in any of the planning areas might travel underground, potentially carrying toxics from Plannings Areas 2 and 3 to Planning Area 1, where they could be released during the proposed development, whether through air, soil, or groundwater movement. Another concern regarding lack of groundwater data was that large amounts of wood waste underlie the site, which could be in contact with the shallow aquifer. She testified that, as has been discovered in other mill site cleanups, wood waste in a wet environment can change the geochemistry at the intersection of soil and groundwater, leading to leachate. Ms. Jenkins testified that wood waste can lower pH and dissolved oxygen, producing a reducing condition that can chemically cause some metals to become dissolved in groundwater and then become mobile, impacting surface waters as well as aquifers, which was not addressed by Farallon. *Pam Jenkins Testimony.*

24. Also on the issue of environmental health, the Appellant offered the testimony of Richard Jack, who works as a water quality planner for the King County Department of Natural Resources and Parks. Mr. Jack testified as to his contribution to a comment letter submitted on the Proposal by the King County Department of Local Services (Exhibit

S19). He submitted the professional opinion that investigation to date of Planning Areas 2 and 3 has not been adequate to demonstrate the full nature and extent of contamination, stating that the investigation into whether the soil has actually been cleaned up of contamination may have been sufficient for planning purposes, but was not sufficient for decision-making purposes. Mr. Jack submitted there is a risk to future users of Planning Area 1 because that area is planned for development before, or in conjunction with, remediation activity on Planning Areas 2 and 3. He testified that he was concerned remediation work could disturb contamination and release it into the air or water, potentially affecting residents and workers in Planning Area 1. Mr. Jack also stated that he was concerned that the Applicant would develop Planning Area 1 without carrying out the remediation required for Planning Areas 2 and 3. *Richard Jack Testimony; Exhibits S19/M18.*

Critical Areas

25. Wetlands, streams, and man-made ditches regulated as critical areas were delineated by Raedeke Associates, Inc., based on reconnaissance completed during 2012 through 2017. The Wetlands, Wildlife, and Fisheries Assessment prepared by Raedeke Associates, Inc. is in the DEIS at Appendix C. The US Army Corps of Engineers (USACE) issued a jurisdictional determination on May 3, 2017 regarding the features that Raedeke identified, including 17 wetlands on the Mill Site and eight off-site wetlands with buffers that could extend onto the Mill Site. The DEIS also discusses wetlands and related features in the body of the document and throughout Appendix A, which is the Master Drainage Plan prepared Goldsmith Engineering. *Exhibits C1 and C2.*

26. On the issue of critical areas, Appellant offered the expert testimony of Dr. Sarah Spear Cooke, a wetland ecologist and soil scientist with experience in site investigations. She reviewed plan documents for the Proposal and submitted a comment letter on the DEIS. Dr. Cooke has not visited the property but testified regarding her view that the EIS had not been based on sufficient information to reach conclusions about critical areas on the Mill Site. Having reviewed all reports from 2012 forward, she submitted the opinion that the EIS is inadequate because it does not make all wetland rating sheets publicly available. Dr. Cooke contended that the USACE jurisdictional determination for the Mill Site (valid for five years) had expired and are outdated. She submitted that new delineation work was needed, because wetlands are not static features; they change over time. She submitted that the wetland buffers referenced in the EIS had been established using an outdated rating system and required updating. She objected generally to the use of phased review for the Proposal, testifying that critical areas in Planning Area 1 could not be examined in isolation from critical areas in Planning Areas 2 and 3. She characterized the Proposal's deferred review of impacts in Planning Areas 2 and 3 as improper "piecemealing." She testified that the EIS improperly isolated its analysis of on-site critical areas from off-site critical areas downstream, including Borst Lake and the Snoqualmie River. Dr. Cooke submitted that based on the locations of structures shown in the site plan, proposed development of Planning Areas 2 and 3 would require filling wetlands. *Dr. Sarah Spear Cooke Testimony; Exhibits C1, C2, S1.2, S4, S5, S6, S7, S10, S11, S12, S13, S18, S51, and M14.*

27. Dr. Cooke testified that the EIS does not contain sufficient pre-development hydrologic modeling of wetlands such that post-development monitoring could determine whether there are any impacts. In particular, she expressed concern that the wetlands and related features on the Mill Site are in degraded condition due to legacy contamination and that contamination could be entering the wetlands through unknown hydrologic sources. She testified that the number of site soil samples taken, in conjunction with the lack of adequate groundwater monitoring information, meaning the EIS does not contain adequate information about groundwater and surface hydrology to determine whether impacts to wetlands, streams, and jurisdictional ditches could result from grading or excavation associated with the Proposal. She submitted that areas of fill posed at varying depths around the site – some that may be contaminated and some that may cup contamination - had been inadequately sampled to know whether their disturbance would cause release of contamination into surface or groundwaters. She stated that toxins are available to plant communities at deeper depths than two feet, and that not knowing how deep contamination may go on the site a large, glaring lack of data that prevents reasonably informed decision making. She expressed the concern that if grading is conducted and uncapped areas are subjected to stormwater flows or flood waters, the contamination could be distributed. Dr. Cooke submitted that the critical areas reports in the FEIS wrongly exclude Borst Lake from consideration, as it is known that Borst Lake receives hydrology from the site via ditches and sheetflows. She found flaw in the lack of discussion about how retained wetlands would be treated, whether predevelopment hydrology would be maintained, and whether monitoring would occur. This tied into her concern that inadequate information about groundwater is available, because monitoring needs to occur predevelopment and in the growing season in order to establish baseline conditions that allow the developer to track and address development impacts to demonstrate no net loss of functions and values. *Dr. Sarah Spear Cooke Testimony; Exhibits C1, C2, S1.B, S10, and S51.*

Transportation

28. The traffic analysis in the EIS was prepared by Transportation Engineering Northwest (TENW) and peer-reviewed by Fehr & Peers. The analysis establishes a study area that includes 23 intersections located in the vicinity of the Mill Site and expected to be impacted by traffic from the Proposal. TENW reviewed traffic count surveys conducted in January and February 2018 to determine existing levels of traffic at these intersections. It then used these traffic counts to develop future year traffic forecasts by adding in the effects of background growth, including pipeline projects, and by comparing conditions with and without traffic generated by the Proposal at both the Planning Area 1 and "full buildout" stages. Based on the difference between the with-Proposal and without-Proposal forecasts, TENW determined the predicted impacts to intersection level of service (LOS) throughout the study area. Proposal traffic was analyzed in terms of both trip generation, which means the number of vehicular trips a project would add to area roadways, and trip distribution, which considers how those vehicular trips would be distributed on area roadways - where they would come from, where they would go, and what routes they would take. The EIS also discusses the few nearby transit routes as well as pedestrian and bicycle connections to the Mill Site. *Exhibits C1 and C2.*

29. On the issue of transportation, the Appellant offered the expert testimony of Gary Norris, a traffic engineer and consultant who commented on the DEIS on behalf of the Appellant.

Mr. Norris testified that he believed the traffic analysis relied upon in the EIS did not utilize sufficiently reliable information or incorporate a sufficient level of detail to inform its conclusions. He testified that he believed a SEPA traffic analysis required examination of the "average worst case" scenario that could be caused by a proposal. He submitted the opinion that the traffic analysis was intended to "paint a rosier picture" of the Proposal's traffic impacts than would actually occur. On cross-examination, Mr. Norris acknowledged that he did not collect his own seasonal traffic counts, perform his own pass-by or internal trip capture calculations, or perform other traffic analysis specific to the PCI Plan aside from one informal peak hour trip count he personally conducted on Mill Pond Road. Tracking his DEIS comment letter, his testimony included a list of reasons why he believed the transportation analysis relied upon by the EIS was inadequate. The Appellant's closing brief pursued only six of the issues listed in Mr. Norris's comment letter and testimony. *Gary Norris Testimony; Exhibits S1.4 and S16.*

30. First, Mr. Norris contended that it was improper for the EIS to rely on traffic counts conducted in 2018, two years before issuance of the DEIS, because industry standard practice is to rely on counts no more than one year old. He stated that the age of the traffic counts rendered them inaccurate and an improper basis for conclusions about future impacts because they do not reflect the 3% to 5% background growth that occurred in the intervening years. He testified that more current counts could show a level of service change at an affected intersection. Mr. Norris further asserted that the EIS should not have relied on traffic counts conducted in January and February, because traffic volumes at this time of year are not representative. He noted that the Snoqualmie Valley is a summer recreation destination and contended that peak traffic occurs in the recreation season. In support of this assertion, he cited his review of publicly available data from a Washington State Department of Transportation permanent traffic record (PTR) vehicle counter located to the south of the interchange of I-90 and SR-18, which indicated that daily traffic volumes in the summer months could be as much as 26% higher than daily traffic volumes in January and February. Mr. Norris submitted that in using data from after Christmas and before summer recreation, the Applicant's traffic consultant had effectively underreported the existing traffic conditions, resulting in less projected impact from the Proposal's additional traffic. As a side note, he contended that the Applicant's traffic consultants failed to justify their use of the identified PM peak hour and argued that justification should have been provided in support of the peak hours used, stating they could easily have done a 24 hour count to verify the actual peak hours. As a frequent driver in the area, he submitted that it is possible that local traffic actually has a different PM peak that was used. Mr. Norris submitted that the FEIS did not address his comments on the DEIS concerning problems with the traffic counts. *Gary Norris Testimony; Exhibit S1.4.*

31. Second, Mr. Norris testified that the transportation analysis improperly analyzed the issue of "pass-by trips," which is an aspect of trip generation. As defined by the Institute of Transportation Engineers Trip Generation Manual (ITE Manual), a pass-by trip occurs

when a development causes a vehicle on an adjacent roadway to divert into the new development. A pass-by trip is a trip that is generated by the new development because

the development causes a vehicle to change its route; however, a pass-by trip is not a "net new trip" because the vehicle is already on the road. Mr. Norris testified that the transportation analysis in the EIS considers some trips to be pass-by trips even though they do not come from Mill Pond Road, which is the roadway adjacent to the Mill Site, and that this is error. *Gary Norris Testimony; Exhibit S1.4.*

32. Third, Mr. Norris testified that the transportation analysis improperly classified the uses proposed for the Planning Area 1 as a "shopping center" for purposes of calculating trip generation according to the ITE Manual. He testified that because the ITE Manual includes specific classifications for some of the uses contemplated for Planning Area 1, including restaurant and retail, the transportation analysis should have incorporated these uses instead. He also suggested that use of the shopping center classification was improper because the ITE Manual provides for the deduction of pass-by trips and internally captured trips (trips within a site) from the net new trips generated by a shopping center, but not for trips generated specifically by restaurant and retail. He submitted that identifying the development in Planning Area 1 as a shopping center improperly allowed application of a 34% trip reduction due to pass-by trips that would not in fact occur, resulting in lower projected trips than would in fact occur.[4] *Gary Norris Testimony; Exhibit S1.4.*

33. Fourth, Mr. Norris testified that the transportation analysis should have analyzed the Proposal's potential impact to LOS on weekends, rather than only on weekdays, stating that this was necessary to provide a full picture of traffic impacts, and also that it was error to fail to address seasonal traffic peaks resulting from recreational visitors to the Valley. Fifth, Mr. Norris testified that the transportation analysis should have included additional detail about pedestrian, bicycle, and transit impacts, including a specific calculation of the number of persons expected to use each of these modes of transportation and a discussion of how additional non-vehicle trips could be encouraged. He submitted that the 160 proposed multifamily units would necessarily house some residents that would rely on transit. Additionally, Proposal specific pedestrian traffic counts would have been supportive of the Applicant's request for sidewalk modification. Generally, Mr. Norris asserted that the EIS analysis is "vehicle centric" and that contemporary traffic analysis must contain analysis of other modes of transportation. Sixth, Mr. Norris testified that the EIS should have included a construction mitigation plan explaining how truck traffic for construction would be routed and scheduled to avoid impacts to traffic and roads. *Gary Norris Testimony; Exhibit S1.4.*

Water Supply, Population Projections, Wildlife, and Other issues

34. On the issue of water supply, Appellant offered the testimony of Jae Hill, Principal Planner for King County who serves as chair of the King County Utilities Technical

Review Committee (UTRC). The EIS discusses the sources of water supply utilized by the City as well as the City's ongoing process of updating its water system plan to account for growth. The EIS indicates that sufficient water supply is available to support the development of Planning Area 1 and that new sources would need to be identified to support Planning Areas 2 and 3. Mr. Hill provided the water supply comments in the July 13, 2020 King County DEIS comment letter, in which he expressed concern that the need to identify new water sources for Planning Areas 2 and 3 could impact the approximately 100 residential connections that are located in unincorporated King County that are served by the City of Snoqualmie water system. Mr. Hill testified that the Snoqualmie basin is already oversubscribed and that the previously acceptable development strategy of "we will find water later" is no longer effective or adequate, as there is literally less and less water available. For any new source identified, the City would hold junior rights relative to those with more senior rights. Mr. Hill testified that it would be difficult to identify new water sources for Planning Areas 2 and 3 and that a menu of options for responding could be identified, but that the EIS did not do so in detail and did not respond to the concern he submitted about impacts to the 100 residential connections in unincorporated King County. On cross examination, Mr. Hill acknowledged that the City's water system plan update is a separate process from the instant development related EIS and that the Water Comprehensive Plan update process currently underway could identify water sources for Planning Areas 2 and 3. *Jae Hill Testimony; Exhibits S19/M18, C1, and C2.*

35. The Appellant offered the testimony of Lacy Linney, a resident of Fall City, Washington, and a board member of SCAN. Ms. Linney testified about her appreciation for the natural landscape of, as well as her personal history of outdoor recreation in, the Snoqualmie Valley. She stated that she believed lighting elements included in the Proposal would impact recreationalist and all wildlife in the vicinity, because it would be visible from the Snoqualmie River and Mt. Si. She stated that traffic noise in Fall City and elsewhere would increase because of construction for the Proposal, which could be exacerbated due to traffic diversions from upcoming construction elsewhere. She testified that the duration of the development phase of the project was stated as both 12 and 24 months in the EIS and that she believes it could be longer. Because traffic from the remediation portion of the Proposal was not included in noise projections, the true extent of noise impacts to residents, wildlife, and recreators was not assessed. Also, because timeframe for completing remediation under MTCA was provided, she opined that the timeline was unclear. As a local driver, she asserted that the traffic volumes anticipated cannot be adequately handled by the road network, especially in the summer, and that the Applicant should be required to place an emphasis on transit transportation as a means of reducing future congestion. She expressed concern that the costs of the final road improvements that would be needed to support the Proposal's traffic would fall to local taxpayers. Ms. Linney expressed the desire for the region to stay as it is and not grow to the extent proposed. *Lacy Linney Testimony.*

36. The Appellant offered the testimony of Harold Erland, a North Bend resident who was born in a hospital adjacent to the Mill Site. A wildlife biologist, Mr. Erland is part of a group that studies the population and home ranges of elk living in the Snoqualmie Valley.

Mr. Erland's group has placed electronic GPS collars on approximately 68 elk and documented their movements on diagrams that show elk moving through the Mill Site and other portions of the Snoqualmie Valley. He testified that Raedeke Associates used his group's GPS coordinates in their site study. Mr. Erland testified that elk use the entire valley and that some have a home range that is close to the Mill Site, including along the Snoqualmie River and near Borst Lake. Although elk try to avoid people, Mr. Erland testified that elk move through developed areas, especially at night, and that occasionally they forage in residential yards and in open spaces associated with larger developments. In addition to elk, Mr. Erland testified that he has personally observed 41 species of birds on the Mill Site including raptors, owls, warblers, and waterfowl, and 20 species of mammals including muskrat, beaver, mink, and cougar. In his opinion, impacts to wildlife have been as well addressed as they can be if you're going to build a development like a big mall. Mr. Erland stated that wildlife would still use the portions of the site preserved as open space, and that it would not be difficult to facilitate this use by planting appropriate vegetation in the retained open spaces; however, he is concerned that that if the PCI Plan development goes forward as proposed, the population of wildlife in the area would not be as numerous or diverse. To further mitigate the impacts the Proposal would have on wildlife, he suggested the Applicant could provide alternate habitat nearby by acquiring offsite mitigation areas. *Harold Erland Testimony.*

37. The Appellant offered the testimony of Brian Derdowski, a former member of the King County Council. Mr. Derdowski testified that he did not believe the Proposal would be compatible with its surroundings. He pointed to several statements in the EIS that he believed demonstrated a lack of consideration regarding compatibility; for example, he testified that a statement that the Proposal would exhibit a similar land use pattern to historic downtown Snoqualmie was inaccurate because of differences between the two areas. He testified that a statement that open space surrounding the site would provide for compatibility with adjacent uses failed to consider other elements of compatibility, such as traffic and pipeline projects in the area. Mr. Derdowski did not identify any specific pipeline projects he believed should have been analyzed, and he indicated that he did not know the current status of the buildout of Snoqualmie Ridge or whether other infill development would be possible. He asserted that in adding a Woodinville-like winery tourism district and the vehicle trips from 3,400 jobs, the Proposal would change the character of the Snoqualmie Valley, conflict with rural land uses (e.g., farming), and cause current residents to move away. Mr. Derdowski testified that the discussion of deviations allowed for wetland buffers did not adequately consider the potential for facilitating further deviations in the future and said that sometimes further analysis predicted in an environmental document does not occur. He opined that population projections in the EIS were not consistent with adopted growth targets. Generally, Mr. Derdowski opined that the FEIS relies on substantial future SEPA review to identify probable adverse impacts, but he submitted that the development agreement is the only time when additional SEPA review would occur. Because it is typical for development agreements to authorize significant deviations from adopted development regulations, he submitted that the FEIS should set out performance standards for all future development under the proposal. He also opined that the EIS was deficient because it did not reflect

changes that he believed would be needed to comply with the City's Shoreline Master Program (SMP). *Brian Derdowski Testimony.* The appeal letter did not raise SMP compliance issues and testimony on this point is excluded as being outside the scope of the appeal. *Exhibits S1 and R14.*

Applicant SEPA Case
Environmental Health

38. Addressing alleged errors in the FEIS analysis regarding environmental health, the Applicant offered the testimony of Cliff Schmitt of Farallon Consulting, a licensed geologist and hydrogeologist with 36 years of experience investigating contaminated sites and managing cleanups of contaminated sites. Mr. Schmitt participated in producing the Farallon reports included in the DEIS at Appendix D. Mr. Schmitt submitted the opinion that the studies and other historical information on which the EIS based its conclusions comprise a thorough record of where contamination is likely to be found. *See, e.g., Exhibit C2, page 244 et seq; Exhibit C2, Exhibit 3.5-1, .pdf page 247; Exhibit C2, Exhibit 3.5-2, .pdf pages 252-253*. Exhibit He also stated that because of the volume of contaminated soil removed through prior cleanup activities, the amount of remaining hazardous material may likely be low. Having reviewed the published list of Department of Ecology site hazard assessments, Mr. Schmitt noted that there are currently approximately 13,000 ranked sites, of which 350 have the rank of 1. *Cliff Schmitt Testimony; Exhibits C1, C2, and M3.*

39. Based on previous experience, Mr. Schmitt provided a detailed explanation of Washington State's Model Toxics Control Act (MTCA) and its application to the Proposal. Under MTCA, the Washington Department of Ecology (Ecology) identifies areas of contamination and requires that they be investigated and cleaned up. Because MTCA holds owners and operators of contaminated properties strictly liable for the costs of remediation, cleanup activities are often funded by planned redevelopments. The Applicant has planned for development in Planning Area 1 to fund cleanup in Planning Areas 2 and 3, which is a common practice. Based on his experience, he submitted that any remaining data gaps would be required to be satisfied in the agreed order, which will impose a timetable in which extensions of clean up deadlines are on the order of 30 to 90 days, not years or decades. *Cliff Schmitt Testimony; Exhibit M10.*

40. Mr. Schmitt testified that, in accordance with MTCA procedures, Ecology has prepared a site hazard assessment (SHA) for the former Weyerhaeuser property, including the Mill Site and Borst Lake, and assigned it a hazard ranking of 1. Ecology has identified the entire former Weyerhaeuser property as an area where remedial action is necessary. The next step in the MTCA process will be preparation of a formal remedial investigation and feasibility study (RI/FS) consistent with WAC 173-340-350 to confirm and supplement the information in the SHA. As explained by Mr. Schmitt, the remedial investigation determines the nature and extent of contamination, and the feasibility study identifies and evaluates potential feasible remediation technologies to eliminate potential exposures. The RI/FS allows Ecology to review and approve a plan for remediation of the hazardous substance. *Cliff Schmitt Testimony; Exhibits S4 and S5.*

41. Mr. Schmitt testified that Farallon Consulting began working with Ecology on plans for MTCA remediation in 2018 and that the effort is currently paused because Ecology does not have sufficient staff to manage the project. He stated that Farallon has asked Ecology to confirm its conclusion that Planning Area 1 does not contain hazardous contamination above MTCA-established limits; if confirmed, this would result in the exclusion of Planning Area 1 from the site subject to remediation under MTCA and allow development to proceed pursuant to permits by the City. As explained by Mr. Schmitt, in conjunction with this request and in response to comments by Ecology on the DEIS, Farallon conducted its 2021 supplemental subsurface investigation to examine whether contamination could be migrating from Planning Areas 2 and 3 onto Planning Area 1. *Cliff Schmitt Testimony; Exhibit C1, Appendix B.*

42. In response to Ms. Jenkins' assertions that a comprehensive investigation of contamination is necessary, Mr. Schmitt testified that the RI/FS required by MTCA will constitute a comprehensive investigation sufficient to address unknowns about the Mill Site. He stated that Ecology is the agency with authority to determine whether current information about Planning Area 1 is sufficient to allow development to proceed and is also the agency that will determine what investigation and cleanup methods are required for Planning Areas 2 and 3. Before any ground disturbance or construction can take place in Planning Area 1, Ecology will consider the Applicant's evidence of historic uses, observations of current site conditions, and subsurface investigations and make a determination whether it agrees that Planning Area 1 contains no contamination. In making these determinations, Ecology will not be bound by property lines, the designation of the three planning areas, or the Applicant's and City's interpretation of the evidence about Planning Area 1. Rather, Ecology will define the boundaries of the area requiring remediation based on the evidence. If Ecology determines that additional data is needed regarding any of the planning areas, it will require Applicant to provide that data before redevelopment or remediation proceeds. Based on its MTCA authority, Ecology will not allow development to proceed that exposes human health or the environment to contamination. The potentially liable parties, including Applicant, will not be allowed to perform actions that foreclose reasonable alternatives for the cleanup action, such as building in areas with contamination above cleanup thresholds, and will be required to address potential exposure pathways that threaten human health or the environment. Mr. Schmitt also described environmental media management techniques that will be utilized under the MTCA process to prevent hazardous material from entering the air or water, and he stated that he had experience with these techniques being utilized effectively on previous cleanup sites. Mr. Schmitt was not at all concerned that the FEIS was issued before the RI/FS was completed and testified that it often happens that the EIS associated with development would come out before and separate from the MTCA clean up process. He testified that he has never had a MTCA clean up held up or influenced by a SEPA process. *Cliff Schmitt Testimony; Exhibits M10, M14, and M15.*

43. After issuance of the FEIS, an Ecology staff member responded to a SCAN member's email, stating (in part):

> As you mentioned, Ecology did make comments on the draft EIS about several topics, including cleanup, water rights and stormwater management and impacts to wetlands. It was our intention to bring these topics to the attention of the City of Snoqualmie and start a conversation and planning for project permitting. Ecology is not planning on filing an appeal of the Final EIS. . . .
>
> As you saw in the response to comments, the need for cleanup has been acknowledged and cleanup will be integrated as part of the redevelopment. This is a large and complicated site and we understand there are a lot of concerns around the redevelopment and maintaining protection of human health and the environment. To address these concerns, we will work with the developer and the city to ensure required cleanup actions are taken, and the project is permitted under our regulatory authority.

Exhibit M15.

44. Regarding the specific potential contamination sources Ms. Jenkins asserted could be found in Planning Area 1, Mr. Schmitt stated that had there been any potato-growing operations, they would likely have been quite small and that he had not seen evidence of buried transformers heating oil tanks. He testified that he had reviewed available records regarding railroads on the Mill Site and found no evidence that suggesting one in Planning Area 1, and that if there had been a railroad in or near the area, it would likely not have posed a risk contamination because, in a rural area, the railbed would not have been composed of industrial waste, as has been the case in urban areas. He testified that Planning Area 1 was not known to contain any wood waste fill, but rather wood debris that had been mixed in with the soil and not used for grading. In his review, he had not seen concentrations of wood debris that would raise concerns about exploding methane' however, Ecology would monitor the issue if needed. Regarding Mr. Jack's concern that there may be areas of creosote contamination in Planning Area 1, Mr. Schmitt testified that there is no historical record of creosote use in that area, unlike the known dip tanks/ drip pads in Planning Area 3. He stated that treatment with creosote is a use with a large footprint in a lumber mill and he believes there would be available information had it been conducted there. Mr. Schmitt testified that in Planning Area 1, he knows of no evidence of releases of PCBS, petroleum hydrocarbons, heavy metals, dioxins/furans, or any other contaminant release. He noted that the subsurface study detected contaminants in Planning Area 1 at concentrations exceeding MTCA Method A cleanup levels, including high concentrations of arsenic and total petroleum hydrocarbons as gasoline-range organics (GRO), as diesel-range organics (DRO), and as oil-range organics (ORO) in the soil which are believed to be naturally occurring. *Cliff Schmitt Testimony; Exhibit C1, .pdf page 173.*

45. Regarding the topics of concern in Planning Areas 2 and 3 discussed by Ms. Jenkins, Mr. Schmitt testified that petroleum hydrocarbons, PCBs, and boiler ash are substances that can be successfully remediated through the MTCA process. He testified that petroleum hydrocarbons could eventually degrade naturally if not cleaned up, but MTCA remediation would address them. He testified that PCBs, which are typically in a mineral

oil like substance, do not tend to migrate more than 50 to 75 feet from the site of an initial release, depending on soil and groundwater conditions. *Cliff Schmitt Testimony.*

46. Addressing Mr. Jack's concern about the potential risk to workers and the public from undiscovered contamination encountered during development, Mr. Schmitt offered the following. Should the proposal receive the required approvals from Ecology and the City to proceed, workers on the site would be provided with an environmental media management plan, and receive safety training and/or refresher courses, and they would know how to respond to conditions or contamination encountered in the field. He submitted that people who do earth work for a living are generally acclimated to this because so many sites available for development are contaminated. For example, if workers discover an underground storage tank, the environmental media management plan would establish who to call, what sampling to perform, and how it is cleaned up. All site work would be conducted in accordance with specified best management, implemented through the grading permit process, that would address dust, stormwater runoff, erosion controls, and the like, all of which would act to lessen potential exposure for workers and the public. When soil is removed from property (as one example, the upper six inches of bark to be removed from Planning Area 1 that has been used for event parking), it would be required to be tested because receiving facilities require soil profiling. Similarly, if they have to pump and remove groundwater, they would need a permit and the water would have to be tested before it is removed and disposed of elsewhere. All such data would be reported to Ecology. *Cliff Schmitt Testimony.*

47. In response to Ms. Jenkins' opinion about the inadequacy of Farallon's 2021 subsurface investigation, Mr. Schmitt offered the following. The 2021 subsurface investigation specifically examined the issue of the potential for contaminants to migrate into Planning Area 1 from other portions of the Mill Site. He testified that Farallon chose the locations of the test pits based on where data suggesting such migration would be likely to occur. He submitted that the locations chosen were adequate to reach a conclusion on the migration issue but noted that Ecology would have the final say on the issue and would require additional data if it deemed more data necessary. Responding to Ms. Jenkins critique about the number of soil sample sites, Mr. Schmitt stated that he did not believe digging test pits throughout the entirety of Planning Area 1 would be useful, because it would not be appropriate to search for contamination without a reason to think it would be found in that specific location. He stated that doing so would constitute an inefficient use of resources that would undermine the overall investigation and remediation effort. Mr. Schmitt explained that he had provided a summary of the investigation's conclusions for inclusion in the FEIS because the information would add to the City's understanding of the Mill Site, but that it had been prepared for Ecology's use in the initial MTCA process and that he would provide all of the associated data, such as lab reports and test results, to Ecology as part of the MTCA process. Addressing her comment that without the lab results the adequacy of the subsurface investigation cannot be verified, Mr. Schmitt testified that in his professional experience providing analysis for SEPA reviews,

a summary is what is typically included in the EIS. The hundreds of pages of lab data would not be meaningful to most reviewers; it is not simple data. He testified that never

in the course of preparing materials for an EIS has anyone come back to him after receiving his summary and asked for underlying data. Finally, while Farallon only did nine test pits, a previous consultant (Associated Earth Sciences Inc.) did 15 test pits, and Farallon had their data. *Exhibit C2, Appendix B; Cliff Schmitt Testimony.*

Critical Areas

48. In response to alleged errors concerning critical areas, the Applicant offered the testimony of Chris Wright and Keith Goldsmith. Mr. Wright is a professional geologist and hydrogeologist licensed in Washington State since 2002. He has 35 years professional experience with contaminant hydrogeology, including cleanup program management. Since 2012 Mr. Wright has been involved in identifying and delineating the wetlands, streams, and associated buffers and setbacks on the Mill Site that are regulated by the USACE and that are regulated as critical areas by the City of Snoqualmie. Mr. Goldsmith is the civil engineer for the Proposal and has been involved in numerous aspects of the Proposal, including preparing a hydrologic analysis of impacts to wetlands. *Testimony of Chris Wright and Keith Goldsmith; Exhibits M4 and M6.*

49. Mr. Goldsmith testified that he prepared a Master Drainage Plan that included hydrologic modeling for Planning Area 1 in accordance with the King County Surface Water Design Manual (KCSWDM). The KCSWDM requires developers to evaluate hydrology to local wetlands and provides a method and criteria for the required hydrologic modeling in KCSWDM Reference 5, Wetland Hydrology Protection Guidelines. These guidelines require that the Applicant model pre- and post-development conditions using a continuous model with specified inputs. Goldsmith Engineering performed modeling according to these requirements for the wetlands that would be affected by the development proposed in Planning Area 1, which include the Wetland 12 system and Wetland 28 in Planning Area 1. *See Exhibit C2, Appendix C, .pdf page 100 and .pdf pages 143-151*. Although development of Planning Area 1 would reduce the amount of precipitation that infiltrates on the Mill Site by installing impervious surface area, the hydrologic analysis performed by Goldsmith demonstrates that the Proposal would not have significant adverse impacts on wetland hydrology. The modeling shows wetland hydrology would be maintained through discharge of treated stormwater into wetland areas along the historic drainage routes. *See Exhibit C2, Appendix A, .pdf pages 91-92*. Mr. Goldsmith testified that hydrologic modeling was not required for Wetland 29 because its hydrology is dependent on Wetland 28, and because the modeling shows that Wetland 28 would have sufficient hydrology, Wetland 29 would too. Mr. Goldsmith testified that the KCSWDM does not require hydrologic modeling for wetlands in Planning Areas 2 and 3 because currently no development is proposed that would affect their hydrology. The KCSWDM would require that modeling when there is a specific proposal and before any development occurs in Planning Areas 2 and 3. *Keith Goldsmith Testimony; Exhibit C2, Appendices A and C.*

50. According to the Raedeke report, the existing wetland buffers throughout the site are severely degraded due to the historic mill use. Within Planning Area 1, the Proposal would impact approximately 4.16 acres of buffer for Wetlands 12 and 28. To mitigate these impacts, the Proposal would provide five acres of compensatory wetland buffer

south of/adjacent to the Wetland 28 buffer. Additionally, in moving Mill Pond Road farther from the ordinary high water mark of the Snoqualmie River, road construction in Planning Area 1 would impact 8,100 square feet of Snoqualmie River buffer, for which 8,700 square feet of stream buffer mitigation is proposed. No direct impact to wetlands is proposed. Retained buffer areas would be planted with native species. *Exhibit C2, Appendix C, .pdf pages 101 and 104; see also Exhibit C6, Sheet CA-1, .pdf page 160*. The proposed wetland buffer averaging and mitigation plan requires City Council approval of a deviation from Code standards. Mr. Wright testified that because the Proposal would expand and improve wetland buffers throughout the Mill Site, connecting them with open space and habitat areas and adding new compensatory wetland buffer area, the Proposal would result in overall enhancement of critical area functions and values. He submitted the opinion that maintaining wetland buffers in strict adherence to standard requirements, rather than as with the proposed deviation, would result in a lower level of function than the Proposal because it would establish discontinuous buffer areas, which provide lower habitat functions. Also, standard buffers are not required to be enhanced. *Christopher Wright Testimony; Exhibit C2, Exhibit 3.3-19, .pdf page 188 for illustration of conceptual plans for buffer averaging; Exhibit 3.4-10, .pdf page 230 for buffer impacts and compensation; and Exhibit 3.4-10, .pdf page 231 for Planning Area 1 buffer enhancement and restoration.*

51. In response to Dr. Cooke's testimony, Mr. Wright and Mr. Goldsmith testified that additional analysis of potential impacts to critical areas from the Proposal is not necessary. They asserted that the EIS relies on adequate information, including the Raedeke and Goldsmith reports as well as a geotechnical report from AESI that discusses surface water hydrology, including the Snoqualmie River, Tokul Creek, and Borst Lake; streams and wetlands including hydrologic sources; and groundwater conditions. The list of studied/considered features is in Exhibit C2, Appendix C, .pdf page 106. Responding to Dr. Cooke's specific criticism on the point, Mr. Wright explained the Raedeke did not attempt to delineate Borst Lake because they did not have access to it. Both testified that there is no proposed draining, dredging, or fill of wetlands or streams from the Proposal and that some of Dr. Cooke's suggestions to the contrary may have been based on review of outdated plans. Mr. Goldsmith testified that there was no evidence that the Proposal would impact groundwater hydrology and that modeling performed in accordance with KCSWDM standards has demonstrated that surface water flows to the wetlands could be adequately maintained. Mr. Wright and Mr. Goldsmith testified that the proposed development of Planning Area 1 does not involve grading, fill, or other construction activities in wetlands and that wetland hydrology would be maintained at close to current levels. *Testimony of Chris Wright and Keith Goldsmith; see Exhibit C2,.pdf page 169 et seq, particularly Exhibit 3.3-6 and 3.3-7, .pdf pages 171-172; C2, Exhibit 3.4-4 .pdf page 203; and C2, Exhibit 3.4-11, .pdf page 233.*

52. Responding to Dr. Cooke's testimony regarding wetland ratings, Mr. Wright testified that Raedeke initially requested a jurisdictional determination from the Corps in 2013 and subsequently engaged in "extensive coordination" with the agency. The USACE issued its jurisdictional determination establishing the wetland boundaries for the entire Mill Site on May 3, 2017. *Exhibit C2, Appendix C, .pdf page 120*. In response to Dr.

Cooke's testimony regarding its expiration, Mr. Wright testified that the jurisdictional determination was still valid at time of hearing, and that as of the hearing date, Raedeke Associates was in the process of collecting current data to support a request for extension of the jurisdictional determination.[5] However, he clarified that there are no USACE jurisdictional wetlands in Planning Area 1 and that the jurisdictional determination would need to be in effect for development of Planning Areas 2 and 3. In response to Dr. Cooke's testimony that she didn't know whether the wetlands had been rated under the previous or current City code, Mr. Wright testified that Raedeke had rated the wetlands and established the wetland buffers using the City's current, updated methodology under the 2014 Department of Ecology Manual, and that following the original delineations, all wetlands had been revisited during site visits conducted with representatives from state and local agencies and the delineations had been field verified. Addressing Dr. Cooke's criticism that the data forms were not available, Mr. Wright indicated that some data forms are in Appendix C to the DEIS and that all of the wetland rating data forms were provided to USACE. *See Exhibit C2, Appendix C, .pdf pages 113-118; Chris Wright Testimony.*

53. Although the wetlands, streams, and other jurisdictional features on Planning Areas 2 and 3 have not been hydrologically modeled, they have been delineated, and the delineations have been approved by the USACE. *See Exhibit C2, Exhibit 3.4-4, .pdf page 203*. Currently no development of Planning Areas 2 and 3 is proposed, and without proposed development, no impacts to those wetlands and buffers have been analyzed. The EIS concludes that sufficient area exists in these planning areas to allow construction at the size contemplated for the Proposal without disturbing the jurisdictional wetlands, streams, buffers, or setbacks. *Exhibits C1 and C2; Testimony of Chris Wright and Keith Goldsmith.*

Transportation

54. In response to alleged errors concerning transportation, Applicant offered the testimony of transportation engineer Jeff Schramm, a transportation engineer with 27 years' experience who conducted the transportation analysis and prepared the discussion and response to comments in the EIS. Mr. Schramm identified the study area for impacts from the Proposal based on input received during the EIS scoping process, which included seeking input from King County and WSDOT. In accordance with adopted City standards, he focused his analysis on potential impacts to weekday peak-hour LOS affecting vehicle traffic. The study identified 23 affected intersections in addition to five site entrances and projected their future operations with and without the project, both at

the build out of Planning Area 1 only and at full build out of all three phases. Future projections included application of assumed background growth each year, pipeline projects (approved but not yet on the road network), and known transportation improvement projects of WSDOT and the City for horizon year 2023 for Planning Area 1 only and 2032 for full build out. Mr. Schramm's analysis indicated that while most intersections are projected to have some increase in delay, trips generated by fully built Planning Area 1 would not cause any study intersection to experience levels of service below City minimum standards. At full Proposal build out, he concluded that trips generated by fully built Planning Areas 2 and 3 would cause some intersections to fail level of service standards unless adequate mitigation was implemented. The EIS identifies traffic improvements that can serve as mitigation for these impacts as well as the points in time appropriate for future environmental analysis when the specific impacts and mitigating measures can be assessed. Of note, recommended condition 39 for PCI Plan approval requires future transportation analysis based on then-current information before construction, requiring updated data to address actual conditions at time of proposed construction. After receiving comments on the DEIS, Mr. Schramm reviewed additional information, which he testified confirmed his conclusions about the adequacy of the information he relied upon. *Jeff Schramm Testimony; Exhibits 1, C1, C2, C2 Appendix F, M3, and M16.*

55. In response to Mr. Norris's testimony regarding the age of the traffic counts, Mr. Schramm agreed that ideally traffic counts are closer in time, and within one year is typical on smaller projects; however, he testified that in his practice and experience larger projects often require the use of two year old traffic counts. In this case, he stated that the time that elapsed between collecting the counts and publication of the DEIS was a function of the size and complexity of the Proposal and the public PCI Plan process. Mr. Schramm submitted that the age of the traffic counts used did not impede the accuracy of his analysis because they accurately reflect the existing condition. He noted that background growth rates were applied for each year. *Jeff Schramm Testimony.*

56. In response to Mr. Norris's critique regarding the use of January and February traffic counts rather than summer, Mr. Schramm testified that he took this comment seriously. In responding to it, his team reviewed data from two other permanent traffic counters (PTRs) in the vicinity of the Proposal: one located on SR-202 to the northwest and one located on I-90. The review of PTR data collected continuously over years indicated seasonal variation that was much lower than the SR-18 PTR: closer to 5% on SR-202 and 10% on I-90.[6] Mr. Schramm testified that numbers within 5-10% are reasonable to use because they are within the level of daily traffic fluctuations. These data confirmed to him that there was no need for additional traffic counts. Mr. Schramm explained that he believed the SR-202 PTR data was more relevant than the SR 18 counts cited by Mr. Norris because it is more representative of the type of traffic that would access the Proposal. Also, he stated that the SR 18 PTR data was not necessarily applicable because it reflected daily traffic counts rather than peak hour traffic counts, and that peak hour traffic tends to vary less over the course of the year because peak hour traffic includes non-discretionary trips like commutes and the City's adopted standards focus on weekday peak-hour levels of service. Mr. Schramm submitted that Mr. Norris's suggestion that all

counts used in the EIS should be increased by 26% is unfounded and not supported by the evidence. *Jeff Schramm Testimony; Exhibits C1 and C2.*

57. Addressing Mr. Norris's critique of the pass-by trips reflected in the EIS, Mr. Schramm testified that in order to provide an accurate picture of traffic impacts, standard traffic engineering practice considers both "net new trips" generated by a project as well as impacts to trips that are already in the area. He agreed that Mr. Norris had correctly cited the ITE Manual's definition of pass-by trips as trips coming from an adjacent roadway. He testified that his calculation of existing trips that would be affected by the Proposal included some trips that would meet the ITE Trip Generation Manual's technical definition of pass-by trips and some trips that would more specifically be categorized as "diverted trips," which are existing trips that divert from a roadway not directly adjacent to the Mill Site and therefore travel through an intersection as well as the Mill Site entrance point. Here, those trips came from SR 202, which carries a larger volume of traffic than Mill Pond Road and intersects with Mill Pond Road at a roundabout just to the northwest of the Mill Site. Mr. Schramm referred to all of these trips collectively as pass-by trips and accounted for them in the calculation of net new trips generated by Planning Area 1. Mr. Schramm testified that although both pass-by and diverted trips had been deducted from the net new trip total, they had not disappeared from his analysis as Mr. Norris suggested. The calculations of intersection LOS reflected the volume of diverted traffic that would travel through affected intersections, including the SR-202/Mill Pond Road roundabout and the access points for the Mill Site. This is shown by the inclusion of pass-by trips in the number of vehicles projected to be traveling through the roundabout (study intersection #16) in DEIS Figure 3.11-16 (see Exhibit C2, *.pdf page 392). Jeff Schramm Testimony; Exhibit C2, Appendix F.*

58. Regarding Mr. Norris's objection to the use of the shopping center land use category, Mr. Schramm testified that although some specific types of retail have been referenced in planning documents for the Proposal, the actual composition of uses and tenants in Planning Area 1 remains unknown. He submitted that in his experience, use of trip generation rates for a shopping center would capture the potential impacts from a variety of retail types better than arbitrary and possibly inaccurate specific designation(s). He testified that both pass by and internally captured trips had been appropriately calculated for these uses and that neither type of trip had been disregarded. *Jeff Schramm Testimony; Exhibit C2, Appendix F.*

59. In response to Mr. Norris's statement that weekend LOS should have been calculated, Mr. Schramm testified that the City's adopted traffic standards specifically require study of the weekday AM and PM peak hour LOS, and that these standards were the basis for the scope of his analysis. The DEIS includes Saturday as well as weekday trip generation

estimates; the estimates for daily Saturday trip generation exceed those for daily weekday trip generation by 12 trips out of more than 5,000. In addition, the number of truck trips on Saturday would be half the weekday number. *Jeff Schramm Testimony; Exhibit C2, Appendix F.*

60. On Mr. Norris's contention that it was error not to have analyzed alternative modes of transportation, Mr. Schramm testified that he did not calculate pedestrian, bicycle, or transit trip generation numbers because the suburban location of the Mill Site indicated that the vast majority of trips would be by vehicle. Mr. Schramm testified that if he had factored in trip generation numbers for these alternative transportation modes, it would have inaccurately reduced the number of vehicular trips predicted; to focus on vehicles only produces more conservative estimates of trip counts and impacts. Noting that the EIS considered pedestrian and bicycle needs, Mr. Schramm pointed out the sidewalks and pedestrian amenities included with the proposed realignment of Mill Pong Road near the entrance to Planning Area 1, and also called out planned enhancements to trails and trail connections around the Mill Site. *Jeff Schramm Testimony; Exhibit C2, Appendix F.*

61. In response to Mr. Norris's argument that the EIS should have included a construction management plan, Mr. Schramm testified that a construction management plan is a commonly used method to address construction impacts and can include elements such as scheduling truck trips and establishing a haul route. Mr. Schramm noted that the EIS recognizes the future need for a construction management plan but did not include because the plan cannot be developed until sufficiently detailed information is known about the project under consideration. Such plans are typically developed at the construction permit stage. He testified that a construction management plan could successfully be implemented for the Proposal during a later stage of permitting. *Jeff Schramm Testimony; Exhibits C1 and C2.*

Additional Issues

62. In response to alleged errors concerning land use, phasing, and other SEPA issues, the Applicant offered the testimony of Richard Weinman, the environmental consultant with 43 years of experience who managed the team of consultants that contributed analysis to the EIS. In response to Mr. Derdowski and other Appellant witnesses contending the use of phased review was error, Mr. Weinman testified that phased review is a method of providing additional information as part of the first stage of a master planning process, addressing portions of a site that have been planned at a conceptual level but not in detail. He submitted that phased review is appropriate because PCI Plan approval is a master planning process, which is the type of action for which phased review was intended, and because it is understood that there would be additional environmental review in the future as needed for specific development proposed on Planning Areas 2 and 3. In addition, the EIS includes consideration of the impacts of Planning Areas 2 and 3 that can be known, including impacts that are cumulative with impacts of Planning Area 1. The discussions of environmental health, critical areas, traffic, and water supply in the EIS all consider impacts from all three planning areas, at the level of detail that is appropriate based on currently known information. The discussion of environmental health acknowledges that

    MTCA remediation is necessary for Planning Areas 2 and 3. The traffic and water supply sections acknowledge that additional infrastructure and water supply would be needed to support full buildout. Addressing the Appellant contention that the FEIS did not respond to all of the comments or topics raised in comment on the DEIS, Mr.

Weinman submitted that there is no requirement that the City respond individually to each comment. *Richard Weinman Testimony; Exhibits C1, C2, and M1.*

63. Mr. Weinman submitted that the scope of discussion regarding land use compatibility must include the context of historic industrial uses and zoning of the Mill Site and the nature of adjacent uses, which include open space, mining, rural residential, urban reserve, and City utilities. He testified that if the Proposal is developed the intensity of uses on the Mill Site would be greater than current use but not greater than historic use when the Weyerhaeuser mill was in operation. He submitted that the question of impacts to the broader area is addressed in the analysis of views, parks, transportation, and public services. In response to Mr. Derdowski's testimony that the EIS did not adequately address the uses allowed on the site under the SMP, Mr. Weinman testified that the DEIS analysis included review of allowed uses and other shoreline considerations and determined that the Proposal was consistent with the SMP (see Section 3.7.5). He pointed out that the FEIS updated that analysis in Section 3.8 to account for changes to the SMP, and its conclusions did not change. *Exhibit C1, .pdf pages 180-181*. Addressing Mr. Derdowski's assertion that the EIS did not consider the question of growth inducement, Mr. Weinman testified that he believed the concern was speculative and based on the assumption that there would be legislatively adopted rezones allowing further development of the rural area surrounding the Mill Site. Mr. Weinman submitted that such speculation is not appropriate and that it is not improper for an EIS to be performed assuming the applicable zoning designations would be implemented. *Richard Weinman Testimony; Exhibits C1 and C2, .pdf pages 267-270.*

City Evidence

64. In response to alleged errors concerning phased review, land use impacts, and other general SEPA issues, the City offered the testimony of Mark Johnson of Environmental Science Associates. Mr. Johnson is an environmental consultant with over 30 years' experience conducting SEPA review. He was designated the SEPA Official for the Proposal after the departure of the City's prior Community Development Director, and he coordinated City reviewers and Applicant consultants in preparing the FEIS. Having listened to all appeal testimony, Mr. Johnson testified that his opinion that the EIS was adequately thorough had not changed. He submitted that SEPA does not require that every data gap be closed, only those for which adequate information about a significant impact is lacking, of which none have been demonstrated. He testified that SEPA does not require the inclusion of a specific response to every comment received on a DEIS. He testified that in his experience, analysis of land use compatibility considers potential changes in overall land use pattern - not a specific proposal's compliance with standards or the preference of any individual existing use. *Mark Johnson Testimony; Exhibit C14.*

65. Mr. Johnson testified that based on his experience conducting SEPA review, it is appropriate and typical to utilize phased review for large projects whose components vary in the amount of detail that is known. He stated that phased review utilized for the Mill Site EIS enabled the City to be better informed than if Planning Areas 2 and 3 had not been included in the EIS analysis at all. He stated that he believes the EIS appropriately discussed cumulative impacts; for example, the discussion in the wetlands analysis of

water and soil issues and the discussion in the housing analysis regarding traffic. He testified that although Planning Area 1 could stand alone, the PCI plan procedures established by the City Code require consideration of the entire Mill Site in order to ensure that common elements such as utilities are adequately considered. *Mark Johnson Testimony; Exhibits C1 and C2.*

66. Mr. Johnson submitted that, based on his experience, the use of phased review is particularly appropriate for sites that involve a MTCA cleanup. Mr. Johnson described one very large project in Seattle, the Quadrant Lake Union project, that was similar to the Mill Site proposal. The Lake Union project entailed a phased redevelopment of a 19-acre former lumber mill in Seattle into over a million square feet of commercial space over the course of 10 years. Mr. Johnson testified that the cleanup and remediation required on the project was successfully completed in phases. During each phase, the developer would tear down a certain number of buildings, clean up the immediate area, put up a new building, and move on to the next phase of the project. Mr. Johnson explained that after the EIS for the Quadrant Lake Union Center was completed, each phase (building) went through a new SEPA review process, some of which were addenda, with a new determination made for each building. Because at the beginning of the multi-year project the developer did not know project details such as the configuration of buildings and the number of occupants for later phases, phased review enabled the City to more thoroughly evaluate potential project impacts at later stages, once additional details were known. The site was eventually fully cleaned up, and project was eventually fully developed. It is now occupied by a range of office buildings with successful tenants including Getty Images, Google, and Adobe. *Mark Johnson Testimony.*

67. The City also offered the testimony of Jason Rogers, its interim Community

Development Director. Mr. Rogers testified that the Proposal analyzed in the EIS is a hybrid project-nonproject action. He stated the PCI Plan approval sought by the Applicant is a plan that would govern forthcoming actions and is therefore a nonproject action, but the level of detail proposed in the Planning Area 1 portion of the plan is closer to a project-level review. Mr. Rogers explained the history of development in Snoqualmie, including the nearby Snoqualmie Ridge I and II master-planned developments, which were developed based on SEPA review using a phased review approach. Mr. Rogers indicated that the master plan development review represented by the PCI Plan and the phased environmental review used in the Mill Site EIS are consistent with the City's review and approval of development over the past 20 years. *See Exhibits 1.I, 1.J, 1.K, and 1.L*. As stated in the FEIS, [P]roviding some level of analysis for the entire site in this manner also enables the Draft EIS to evaluate cumulative impacts. Far from dividing the project into pieces to avoid analysis, which is the definition of piecemealing, the Draft EIS is addressing cumulative impacts of the overall project by providing current analysis of portions of the site that have not been planned in detail at a programmatic level.

Exhibit C1, .pdf page 122. In response to Mr. Derdowski's testimony that the Proposal was inconsistent with City growth targets, Mr. Rogers testified that new growth targets had been recommended by PSRC in June 2021, and that they had been adopted by King

County Council and ratified by the Snoqualmie City Council. Mr. Rogers also confirmed that he was aware of the City's water system plan update process, and that he had worked with the City's outside water engineering consultant, Michele Campbell, to provide employment and population projections for the City's urban growth area to be included in water supply planning. *Jason Rogers Testimony; Exhibits C1, C29, C30, C31, and C32.*

68. In response to alleged errors concerning transportation, the City offered the testimony of Chris Breiland, a transportation engineer with 17 years of experience. Mr. Breiland is with Fehr & Peers, the firm tasked with conducting peer review of the EIS documentation provided by TENW. In reviewing the TENW transportation analysis, Fehr & Peers requested different and/or additional information as necessary to ensure the City's interests were adequately represented. Having reviewed the concerns expressed by Mr. Norris, Mr. Breiland testified that his review confirmed Mr. Schramm's position that the traffic analysis conducted was "conservative" in terms of erring on the side of over-estimating traffic volumes and impacts. His position was in part based on his experience with data from other large master planned development projects in the City, including Snoqualmie Ridge I and II, which data consistently showed traffic volumes below previously predicted levels. *Chris Breiland Testimony; Exhibit C13.*

69. Addressing Mr. Norris's criticism of the use of January and February traffic counts, Mr. Breiland testified that Mr. Schramm's approach was consistent with standard traffic engineering practice and that it was more important to take traffic counts on a mid-week day when school is in session than to focus on fluctuations over the course of the year. Mr. Breiland testified that conducting "worst case scenario" analysis for something like seasonal variation would not be consistent with standard practice or the public interest because it would tend to overestimate impacts and the traffic improvements (such as wider roads) needed to respond to them, which in themselves can lead to adverse environmental impacts. In response to Mr. Norris's assertion that the EIS should have analyzed LOS impacts for weekends as well as weekdays, Mr. Breiland testified that Fehr & Peers specifically analyzed whether there was a need for weekend LOS analysis and concluded that there was not. He testified that Fehr & Peers' experience indicates that weekend LOS analysis is only justified when there is a substantial difference between weekend and weekday traffic, particularly because weekend traffic is more evenly distributed throughout the day, rather than being concentrated in non-discretionary peak-hour trips commuting to work and school. In Snoqualmie, the difference between

weekend and weekday traffic was not large enough to require weekend-specific LOS analysis. In response to Mr. Norris's testimony that there should have been additional analysis of transit impacts, Mr. Breiland testified that the purpose of a transit analysis in an environmental statement is to see if the project would overload existing transit systems, and it is very unlikely that the Proposal would do so because of its location. There is only one bus route in the vicinity of the Site, and it is not served with sufficient frequency to attract ridership from potential Project residents from the proposed 160 residential units. He testified that although Fehr & Peers would have been concerned about a lack of specific transit impact analysis for a project in a dense downtown area, this kind of analysis was not needed for the Proposal. Mr. Breiland addressed and

rebutted a number of statements in Mr. Norris's comment letter and testimony regarding the traffic modeling techniques employed in the EIS, specifically on use of the PRSC model, the selected background growth rate, etc.. *Chris Breiland Testimony.* Following Mr. Breiland's testimony, the Appellant did not pursue those arguments by Mr. Norris in its closing brief. *Exhibits R21 and R24*.

70. In response to alleged errors concerning water supply, the City offered the testimony of Michele Campbell, a director at RH2 Engineering, the firm tasked with updating the City's water system plan. Ms. Campbell is a licensed engineer with more than 20 years of experience who has conducted water system planning and prepared water system plans (WSPs) for numerous jurisdictions and utilities in the Pacific Northwest, including multiple cities in King County. On behalf of the City, she reviewed the DEIS analysis regarding water supply. She testified that under state statute, a water system plan is required to provide a 20 year analysis with projections for land use and population, water demand and supply, maintenance needs, system capacity, capital improvement plans, and financial capacity. She testified that the City's draft WSP update was submitted to reviewing agencies, including King County's UTRC, in 2021, and that as of the hearing, the City was awaiting feedback. Ms. Campbell stated that the EIS discussed the water system planning process, but the information contained in the 2021 draft WSP update had not been expressly included in the FEIS because the update was issued after the EIS. She submitted that a water system plan is "always a living document," that environmental review accounts for the ongoing planning process, that it is several hundred pages, and that it would not be reasonable to include the WSP within the EIS. *Michele Campbell Testimony; Exhibits C8, C9, C11, C24, C16, and C26.*

71. Ms. Campbell testified that she agreed with the EIS's conclusion that there is sufficient water supply for Planning Area 1 and that additional supply would be needed for Planning Areas 2 and 3. She testified that RH2's analysis indicated that current City water use is below projected levels by approximately 15% to 20%, meaning the City currently has more water supply available than had been projected. She submitted that this would allow for some additional capacity 10 and 20 years in the future. She also discussed options identified by the City for additional supply, including new City water rights for which the City has already applied. She testified that the Proposal has applied for LEED certification, which if achieved would require improvements in water use efficiency that would the demand of the Proposal when developed as compared to the

demand planned for based on the underlying zoning. She testified that the City has been awarded a Department of Ecology grant to utilize a pilot program for aquifer storage and recovery, which is a process of withdrawing water from a spring during the rainy season and injecting it into a wellfield during the dry season. *Michele Campbell Testimony; Exhibits C6, C6A, C8, and C25.*

72. Providing context for the subject of water supply, Ms. Campbell explained that City's water service area includes customers within City boundaries, customers in the City's UGA, and customers in non-UGA areas in unincorporated King County. Addressing Mr. Hill's testimony that the EIS had failed to account for potential population growth in

unincorporated King County that would be affected by the need for water supply for the Proposal, Ms. Campbell testified that the draft WSP update accounts for additional water supply needed for residents of unincorporated King County, the population of which is not expected to grow in areas served by the City water system. She provided a July 2018 email exchange between RH2 and then King County Demographer Chandler Felt in which R2H requested population projections for the unincorporated King County portion of the City's water service area to inform the water system plan update. In his reply, Mr. Felt stated that "almost zero" residential population growth was projected in the non-UGA area outside of City limits. *Michele Campbell Testimony; Exhibits C8 and C27*.

73. At the request of Appellants, Ms. Campbell also testified on re-direct to provide testimony about the copies of the e-mails she had mentioned. During her testimony on re-direct, Ms. Campbell explained that, contrary to Mr. Hill's assertion, the 2021 WSP update analysis did include water supply for potential customer growth within the City's UGA. Ms. Campbell offered an e-mail from the former UTRC chair Steve Hirschey in which he suggested that, if the area was projected to be annexed into the City during the planning horizon for the water system plan, the City should estimate water demand based on expectations concerning how the City would zone potential annexation areas in the City's UGA for the portion of the City's water service area located within the UGA. Ms. Campbell testified that she followed Mr. Hirschey's suggestion and discussed the matter with City Planning Staff, including Jason Rogers, who provided her detailed population and employment projections for each of the City's separate potential annexation areas, based on what would be expected following annexation. She then used those projections in the WSP's overall water demand estimate, which are shown in Table 3-1 and Chart 31, and discussed in the paragraphs immediately below the chart on page 3-8, of the 2021 WSP update. *Exhibit C8, .pdf pages 68-71*. Based on the 2021 WSP's inclusion of water supply for projected annexation-related population growth in the City's UGA, Ms. Campbell disagreed with Mr. Hill's opinion that the City had not taken into account the potential water needs of residents of the unincorporated area. *Michele Campbell Testimony; Exhibits C8 and C28.*

PCI Plan Findings

74. Pursuant to SMC 7.20.050(A), the purpose of the planned commercial/industrial district is to provide for imaginative, well-designed, master-planned commercial/industrial development containing compatible and complementary uses, including mixed or single

retail, wholesale, service and professional businesses, second-story residential uses above such businesses, office and light industrial uses, on parcels of two or more acres, which: 1) Optimizes the efficiency of the use of land; 2) Is at a scale which serves to maintain existing small-town character; 3) Optimizes the opportunity for public amenities such as open space, parks and trails; 4) Promotes or encourages pedestrian and bicycle orientation and provides the opportunity for district-wide coordination and continuity of pedestrian and bicycle corridors; and 5) Gives due consideration to development which can reasonably be anticipated on adjacent or nearby lands, both with respect to common infrastructure requirements and compatibility of uses.

75. The PCI Plan application was originally submitted on March 22, 2017 and was determined to be complete on April 17, 2017. Following the issuance of the SEPA determination of significance, SEPA scoping notice, and EIS process, a revised PCI Plan application was submitted in January 2022. After further changes arose, the final, updated PCI Plan application was submitted on March 18, 2022. *Exhibits 1 and 1.B*. The differences between the January and March 2022 proposals are called out in the red lined document in the consolidated record provided by the Applicant. The revisions do not comprise changes to the Proposal that was reviewed in the DEIS, but rather provide more detail and explanation on some of the requested deviations based on refinements that occurred through the SEPA process. *Exhibits 4 and M17; Courtney Kaylor Comments*.

76. Notice of the PCI Plan application was mailed to a 1,250-foot radius (rather than the 500-foot radius required by Code), was published in the Seattle Times three times (at least one time is required by Code), and was otherwise provided as required in SMC Chapters 17.50 and 17.85. *Exhibits 1, 1.C, and 1.D; Jason Rogers Testimony*.

77. Planning Staff submitted a detailed staff report addressing the PCI Plan application and the City's procedures for processing the PCI Plan. *Exhibit 1*. Comments admitted through the open record hearing process (addressed in Findings 80 through 89 below) did not substantively dispute the factual descriptions of the Mill Site's history and characteristics, did not contest specific details of the Proposal's plans, and did not raise cognizable objections to the process used by the City as described in the staff report. The undersigned adopts Findings of Fact 9 through 12 from the staff report and incorporates them by reference herein. *Exhibits 1, 4, 5, 6, 7, and 8.*

78. The proposal is designed to include three categories of deviations from the development standards of the PCI zoning district. Such deviations are allowed pursuant to SMC 17.20.050.I upon City Council approval. In order to be approved, the record must support the conclusion that the requested deviations would advance the purpose of the PCI zone established in SMC 17.20.050(A). The proposed deviations are from the following standards.

- SMC Chapter 12.16 - Street design standards roadway layout and lighting;
- SMC 17.55.020 - Requirement for conditional use permit for second-story dwelling units above nonresidential uses in PCI zone;
- SMC 17.55.020 - Requirement for conditional use permit for restaurants in PCI zone;
- SMC 17.55.020 - Requirement for conditional use permit for retail restaurants, specifically tasting rooms in PCI zone;
- SMC 17.55.020 - Allowing uses in the OS-2 zone that are not specifically listed as permitted uses in the Code;

- SMC 17.55.040 - Height limits; and SMC 19.12.170.I - Permitted uses and alterations in wetland buffers.

Exhibits 1 and 1.B. Planning Staff submitted that the deviations requested fall within the typical range of deviations approved for previous master plans approved in Snoqualmie. *Exhibits 1, 1.I, 1.J, 1.K, and 1.L.* Aside from blanket objection to any discretionary relaxation of the strict requirements of adopted codes by some members of the public, public comment offered through the virtual hearing process did not substantively challenge the Applicant's assertion, and Planning Staff's agreement, that the materials submitted demonstrate compliance with the criteria for deviation approval. The requested deviations and supportive information in the application materials are detailed in the staff report. The undersigned adopts Findings of Fact 18 through 60 from the staff report and incorporates them by reference herein. *Exhibit 1.*

Public Comment

79. Following notice of application, notice of EIS scoping, publication of the DEIS and FEIS, and notice of public hearing on the PCI Plan application, the City received numerous comments from Snoqualmie residents, interested parties, and citizen groups. The content of the comments has been organized by topic in the findings that follow. Applicant and City responsive information is incorporated into each topic.

80. A portion of Planning Area 1 formerly contained bunkhouses used by Japanese mill employees. The PCI Plan proposes to develop a garden to help commemorate the Japanese community's experience. Several commenters emphasized a desire to commemorate the historical experience and contribution of the Japanese community to the Snoqualmie Mill, and to perform additional survey to identify and recover artifacts. Specifically, comment was submitted by the Executive Director of the Japanese Cultural & Community Center of Washington (JCCCW) requesting protection for what is

believed to be a vast amount of important historical artifacts under Planning Area 1 that are relevant to human and civil rights. *Testimony of Cristie Coffing, Carson Maestas, Dawn Harp, Julie Lake, Connie So, and Karen Yoshitomi/JCCCW; Exhibits 1, 3, 10, C1 Appendix A, and C2.* The survey work performed for the EIS identified the general location of the Japanese Community site and performed initial survey and recovery work. The Applicant's archaeological consultant determined that resources are below the water table and would be destroyed by recovery. Further survey was not recommended so as to

avoid destroying any extant resources. The proposed grading plan would not disturb buried resources. Consistent with the EIS, Planning Staff recommended 10 conditions of PCI Plan approval addressing cultural resources, five directly addressing JCCCW's comment, including one requiring further consultation with the Department of Archaeology and Historic Preservation (DAHP) regarding the benefit of additional survey work and review of the final grading plan to ensure that buried resources would not be disturbed by development activity. Applicant representatives indicated that the Applicant has reached out to the JCCCW to engage in collaborative actions that could be undertaken to achieve this objective. The Staff Report includes a condition requiring the Applicant to continue this effort. An Applicant representative indicated that the Applicant would be interested in entering into a memorandum of understanding with the JCCCW regarding cultural assets within the Mill Site. *Exhibits 1, 10, 11, C1 Appendix A, and C2; Richard Weinman Testimony.*

81. One member of the public submitted that the Snoqualmie Mill site was a tribal burial ground, and that development of the Proposal did not adequately address the Snoqualmie Tribe's concerns. *Carson Maesta Testimony; Exhibits 3 and C1, Appendix A.* The FEIS includes a response the Snoqualmie Tribe's comment letter, addressing all 84 individual comments. The project is not visible from the Snoqualmie Falls Traditional Cultural Property (TCP). The City and the Applicant contended there is no documentation or other historic evidence indicating that the site was ever used as a burial ground by the Snoqualmie Tribe; ground burial was not the tribe's custom. *Exhibits 1, 7, 8, 10, 11, C1, and C2; Richard Weinman Testimony.* The Tribe did not appeal the EIS and did not comment at the PCI Plan public hearing.

82. Members of the public submitted the opinion that the PCI Plan is not appropriate for its "rural setting" and would be inconsistent with the City's "small town character." Factors mentioned in the comments include development scale, building height, visibility/impacts to views and lighting. A comment also asserted that land use compatibility was not analyzed correctly. Information relevant to this issue is discussed in Conclusion Based on Findings No. 15, below. *Testimony of Thyra Demetrick, Brian Derdowski, Kenneth McVeil, Amanda Rich, and Auyrel van Gamert; Exhibits 3, 9.a, and C1, Appendix A.* Applicant representatives contended that the City's character cannot be segregated from the historic industrial use of the subject property. The proposed commercial and industrial uses would be consistent with the zoning designations applied to the site at annexation and called for in the Comprehensive Plan. While the extent of proposed development is substantial (1.83 million spare feet), the total footprint would leave 63% of the site in an enhanced vegetated/open space condition. The visual analysis conducted for the EIS included visual simulations that verify that the site would be screened from most public views and minimally visible from many off-site locations, that it would not be visible from Snoqualmie Falls, and views of important natural features including Mt. Si would be preserved. Extensive retained and additional vegetation and open spaces around the perimeter would screen adjacent rural areas from noise and lighting impacts. The noise analysis conducted for the EIS indicates that the rural areas to the north would not experience significant noise impacts. The Proposal would implement dark sky

standards, as required by recommended conditions. *Exhibits 10, 11, C1, and C2; Richard Weinman Testimony*.

83. Some members of the public asserted that City infrastructure is generally inadequate and that the proposal would result in infrastructure costs that would be borne by taxpayers. *Testimony of Greg Balmer, Amanda Rich, and Alina & Brian Yuhl; Exhibits 3 and C1, Appendix A.* Through the EIS process, infrastructure impacts attributable to the PCI Plan were identified, along with mitigation projects needed to mitigate the demands of the Proposal. The EIS recommends that the Proposal construct or otherwise contribute a proportional share of required improvements as mitigation for those impacts. Planning Staff has recommended conditions of PCI Plan approval that that would require the Applicant to conduct the identified mitigations. A condition would also require the Applicant to pay the applicable general facilities charges, which incorporate a pro rata share of planned utility system projects needed to serve growth. The EIS contains a fiscal impact analysis (Draft EIS Section 3.16), which indicates the proposal would generate a net fiscal surplus to the City of approximately $1.5 million per year, which would be used as determined by the City. *Exhibits 1, C1, and C2; Jason Rogers Testimony*.

84. The concern of additional population added to local schools that are over capacity was forwarded. *Hollan Read Testimony.* The majority of the development proposed would be commercial or industrial in nature and would not cause school impacts. The Draft EIS addressed school impacts in Sections 3.14 (Public Services) and 3.16 (Fiscal & Economic Impacts), determining that the PCI Plan's 160 multi-family units would generate 28 students, which is a small percentage of the 730 new students anticipated as a result of background growth by 2032. The Proposal would cause an incremental impact to over-crowding, which is a statewide problem. *Exhibits 1, 10, C1, and C2*.

85. Commenters expressed concern regarding stormwater runoff and resulting impacts to the river, to critical areas on- and off-site, and to aquifers from pollutants generated by development of the site, operation of the built site, and disturbance to legacy contamination. *Testimony of Dawn Harper, Monica Lowney, and Auryel van Gemert; Exhibits 3 and C1, Appendix A.* Of note, stormwater runoff from the site is currently uncontrolled. The stormwater system for the Proposal is designed to meet the requirements of the 2016 King County Surface Water Design Manual, which is the manual adopted by the City. All runoff from pollution generating surfaces would be captured and conveyed to facilities designed in compliance with the Manual. Some runoff would discharge directly to the Snoqualmie River after undergoing basic water quality treatment, while other portions of the runoff would be discharged to the buffers of on-site wetlands after undergoing enhanced water quality treatment in constructed stormwater wetlands. Development of the Proposal would be conducted consistent with MTCA under the oversight of Department of Ecology, which would prevent impacts to water resources from legacy contamination. Development in compliance with the adopted stormwater manual would prevent stormwater-born pollutants from entering the River. Ecology TMDL analysis of the Snoqualmie River has determined that elevated water temperatures primarily result from the lack of vegetation along the banks of the

River upstream rather than from stormwater discharge. Applicant representatives submitted that the Mill Site is minor in comparison to the factors creating upstream temperature concerns, and there is not much the Proposal could do to address existing issue. *Exhibits 1, 10, 11, C1, Section 3.4.2, and C2, Section 3.3 and Appendix A; Testimony of Richard Weinman and Keith Goldsmith*.

86. Members of the public expressed concern regarding impacts related to flooding. Commenters pointed to the requirement in the City's Comprehensive Plan and Pre-Annexation Agreement that the berms and additional fill placed in the floodplain by Weyerhaeuser be removed. *Testimony of Cristie Coffing, Harold Erland, Auyrel von Gemert, Jeff Groshell, and Wayne Russell; Exhibits 3 and C1, Appendix A.* The Proposal's grading plan is designed to ensure there is no reduction in flood storage capacity; on the contrary, compensatory storage is proposed through removal of prior unpermitted fill/berms in the floodplain, and thus flood storage capacity would be increased by the project. In preparing the master drainage plan materials, a zero rise analysis was performed that demonstrated through computer modeling that with the proposed grading and development plans, the Proposal would not result in an increase in the base flood elevation. The computer model used developed for work previously done for King County. As shown in the drainage and water resources analysis sections of the DEIS and FEIS, the proposed grading plan, would provide compensatory floodplain storage, would result in no increase in the base flood elevation and would provide a net increase in floodplain storage. *Keith Goldsmith Testimony; Exhibits 1, 1.B, 10, 11, C1, and C2, Appendix A (Appendix A).*

87. Some comment expressed concern over seismic risks of/to the Proposal and concern for the public accessing the site in the event of a major earthquake. *Testimony of Teresa Bechtold and Sharilyn Lux; Exhibit 3.* The Draft EIS discloses that the site and some adjacent off-site areas are subject to high seismic risk from liquification of soils and lateral spreading. The "earth" chapters of the DEIS and FEIS and technical analyses and the Staff Report identify measures to mitigate impacts. All earth work and construction in the Proposal would be required to be conducted in conformance with the 2015 International Building Code (as adopted in SMC 15.04A.010), and with applicable critical areas provisions relating to erosion hazards (SMC 19.12.100), landslide hazards (SMC 19.12.110), steep slope hazards (SMC 19.12.120), seismic hazards (SMC 19.12.130), and channel migration zones (SMC 19.12.140). These requirements are addressed in recommended conditions of approval 12 through 15. The Mill Pond Road realignment would be engineered to address seismic risks. *Exhibits 1, C1 Section 3.2.5, C2, Section 3.1, and C2, Appendix B.*

88. Questions were raised about the number and type of jobs the Proposal would bring to the City, whether they would be living wage jobs or require workers to commute from more affordable locations. *Julie Lake Testimony; Exhibits 3 and C1, Appendix A.* The questions of the number and types of jobs and job to housing ratio were addressed I the EIS. City Staff asserted that the number of jobs projected to be added by 2031 would be within the current Comprehensive Plan projections for the Mill Planning Area, and also

noted that the City is scheduled to begin a Comprehensive Plan update cycle in the coming year that may result in higher employment projections for future years beyond the current 2021 Comprehensive Plan planning horizon projections. *Exhibits 11 and C2, Sections 3.8 and 3.16*.

89. Due to the virtual nature of the PCI Plan hearing, and in an abundance of caution in order to facilitate public participation to the greatest extent consistent with code, written public comments were accepted on the PCI Plan application from any person through the close of the March 30, 2022 public comment period at the end of the hearing. In addition, a two-day post-hearing written public comment period was established for members of the public who were unable to participate in the virtual hearing due to technology or access barriers (lack of computer/phone, lack of internet connection, loss of power, etc.). This post-hearing written comment opportunity was announced on the record at hearing and was requested to be advertised on the City's website following close of the hearing. As clearly stated during the hearing, the written post-hearing comment period was intended only for persons who were unable to testify at the virtual public hearing due to technology or access limitations. Post-hearing comments were submitted by five individuals, of whom only one (Auryel van Gemert) indicated that the basis for post-hearing submittal was technology/access related. Both the City and the Applicant submitted post-hearing responses to hearing and post-hearing comment in which both parties requested that the post-hearing comments of those who did not indicate technology/access problems be excluded. This joint request is granted. One post-hearing comment is admitted at Exhibit 9.a, which is at least in part a duplicate of the comment at Exhibit 3.dd.

90. Because of the extended public comment opportunity, City Staff was afforded a chance to respond to timely written public comment received during and after the hearing, and Staff did so. Staff's responses on specific topics are included in Findings 80 through 88 above. *Exhibit 11*. Having considered all concerns raised in public comment, City Staff maintained the position that the submitted materials demonstrate compliance with the approval criteria for PCI Plan and recommended approval subject to conditions. The 50 recommended conditions require (in an appropriate level of detail): development in compliance with the approved site plans and limited to the number of units and commercial square feet proposed and reviewed; applicant development of design guidelines for approval City prior to application for any building permit that shall include performance standards for air quality, vibration, heat, glare, noise, and waste storage and disposal; standards for a unified lighting plan for all streets in the development including glare control features; a minimum 10-foot wide landscaped perimeter buffer; maximum heights of 70 feet to the ridgeline of the roof / 55 feet to the eave line for the three mixed-use/residential buildings and 55 feet to the ridgeline / 35 feet to the eave for all other buildings; submittal and City approval of a wetland mitigation and monitoring plan designed to ensure there would be no adverse impacts to wetland water quality; implementation of geotechnical measures to address seismic, erosion, and landslide hazards; measures addressing greenhouse gas emissions and protection of water quality, wildlife, vegetation, environmental health, cultural resources; measures addressing

aesthetics, light, glare, utilities, and transportation impacts; and Applicant contribution of a proportionate share of the costs of emergency response equipment to include a ladder truck to serve the taller buildings. *Exhibit 1; Jason Rogers Testimony*.

91. Applicant representatives were also invited to respond in writing to public comment offered in writing during the hearing and timely post-hearing written public comment, and they did so. The Applicant's substantive responses to the topics raised in public comment are incorporated into Findings 80 through 88 above. *Exhibit 10*. Applicant representatives submitted that, while commenters raised many issues of concern, all have been thoroughly addressed in the Draft EIS, Final EIS, and Planning Staff's report to the Examiner on the PCI Plan application. The Applicant submits that the Proposal would result in uses that are consistent with the historic industrial use of the site while bringing jobs, a modest amount of housing, and economic benefit to the City without undue impacts to community character and while preserving almost twice the minimum amount of required open space. Significantly, the Applicant asserts that the Proposal would fund clean up of the contamination left behind by the previous industrial activities on site, benefiting the community at large. These benefits would be provided without direct impact to any regulated critical area. Applicant representatives waived objection to the conditions recommended in the staff report and requested approval of the PCI Plan. *Exhibit 11; Testimony/Comments of Richard Weinman, Stephen Rimmer, Keith Goldsmith, and Courtney Kaylor*.

CONCLUSIONS

Jurisdiction

The Hearing Examiner has jurisdiction to recommend approval or denial of the PCI Plan pursuant to SMC 17.50.130. The Hearing Examiner has jurisdiction to decide an appeal of a SEPA EIS pursuant to SMC 2.14.060 and SMC 19.04.235.

Criteria and Standards for Review

SEPA Appeal

Pursuant to SMC 19.04.235.E, in an SEPA appeal, the adequacy of the environmental document shall be accorded substantial weight and the Appellant carries the burden of proof in seeking to establish that the EIS is not adequate. In hearing such an appeal, the Hearing Examiner has authority to affirm, reverse, or modify the administrative decisions below, to remand cases to the appropriate department with directions for further proceedings, and to grant other appropriate relief in the circumstances.

The State Environmental Policy Act (RCW Chapter 43.21C) establishes the standards with which an EIS must comply. The SEPA regulations also require that the determination of the City's SEPA Responsible Official shall be accorded "substantial weight" in appeals. *RCW 43.21C.075(3)(d); RCW 43.21C.090; WAC 197-11- 680(3)(a)(iii)*. The Washington Supreme

Court has determined this requirement to accord substantial weight requires the application of the "clearly erroneous" standard of review. *Cougar Mt. Assocs. v. King County*, 111 Wn.2d 742,

747 (1988); *Norway Hill Pres. & Prot. Ass'n v. King Cnty. Council*, 87 Wn.2d 267, 275, 552 P.2d 674, 679 (1976).

The instant appeal presents a single legal question: whether the EIS is adequate. The EIS for the Proposal consists of the DEIS and FEIS together. *Exhibit C1; see, e.g. Victoria Tower P'ship v. City of Seattle*, 59 Wn. App. 592, 601, 800 P.2d 380, 385 (1990); *W. Main Associates v. City of Bellevue*, 49 Wn. App. 513, 521, 742 P.2d 1266, 1271 (1987). In reviewing the adequacy of the FEIS, the Examiner does "not rule on the wisdom of the proposed development but rather on whether the FEIS [gives] the City . . . sufficient information to make a reasoned decision." *Concerned Taxpayers Opposed to Modified Mid-South Sequim Bypass*, 90 Wn.App. 225, 362, 951 P.2d 812 (1998) (citations omitted). More specifically, the determination of EIS adequacy is governed by the "rule of reason." *Cheney v. City of Mountlake Terrace*, 87 Wn.2d 338, 334, 552 P.2d 184, 189 (1976). The rule of reason is "'in large part a broad, flexible cost-effectiveness standard.'" *Klickitat Cty. Citizens Against Imported Waste v. Klickitat Cty.*, 122 Wn.2d 619, 633, 860 P.2d 390, 398-99 (1993) (citing R. Settle, The Washington State Environmental Policy Act: A Legal and Policy Analysis § 14(a)(i) (4th ed.1993)). In an EIS appeal, "the issue is whether the [Proposal] is described in sufficient detail to allow for a reasonable evaluation of the proposal's impacts." *Glasser v. City of Seattle*, 139 Wn. App. 728, 741–42, 162 P.3d 1134, 1140 (2007). Adequacy does not require an EIS to be "a compendium of every conceivable effect or alternative to a proposed project"; instead, it "is simply an aid to the decision-making process." *Toandos Peninsula Ass'n v. Jefferson Cty.*, 32 Wn. App. 473, 483, 648 P.2d 448, 454 (1982). "[C]onclusory disagreement with the FEIS analysis does not render the FEIS deficient."

Gebbers v. Okanogan Cty. Pub. Util. Dist. No. 1, 144 Wn. App. 371, 388–89, 183 P.3d 324, 332 (2008). An EIS need not include a "worst case" or even an "average worst case" analysis. *East King County Reclamation Co. v. Bjornsen*, 125 Wn.App. 432, 442 n. 9 (Div. II 2005), citing *Solid Waste Action Proponents (SWAP) v. Okanogan Cty*., 66 Wn.App. 439, 447-48 (Div. III 1992).

"SEPA's procedural provisions require the consideration of 'environmental' impacts . . . with attention to impacts that are likely," as distinguished from "those that merely have a possibility of occurring, but are remote or speculative." *City of Des Moines v. Puget Sound Reg'l Council*, 98 Wn. App. 23, 988 P.2d 27, 37 (1999) (quoting WAC 197–11–060(4)). "Impacts or alternatives which have insufficient causal relationship, likelihood, or reliability to influence decisionmakers are "remote" or "speculative" and may be excluded from an EIS.'" *Cascade Bicycle Club v. Puget Sound Reg'l Council*, 175 Wn. App. 494, 509, 306 P.3d 1031, 1038 (2013).

"The 'rule of reason' applies to claimed failures to respond to agency comments" as to other aspects of the EIS process. *Black Diamond*, 2014 WL 295838 at *13. "An agency *shall* consider and *may* respond to comments *as the agency deems appropriate*." *WAC 197-11-550(8) (emphasis added)*. To respond to comments, agencies may make factual corrections, supplement previous analysis, or "[e]xplain why the comments do not warrant further agency response" by providing reasons or citations to sources. *WAC 197-11-560(1); see Klickitat Cty.*, 122 Wn.2d at 636-37.

Agencies may respond to comments individually or collectively or "use other reasonable means to indicate an appropriate response to comments." *WAC 197-11-560(3)*.

SEPA entitles decisionmakers to rely on subsequent processes and reviews for mitigation of impacts from a project – even if that means potential future impacts are not fully described in the EIS. *Cascade Bicycle Club v. Puget Sound Reg'l Council*, 175 Wn. App. 494, 515, 306 P.3d 1031, 1041 (2013) (agency appropriately "acknowledges that further actions may be necessary to reduce the environmental impacts it discusses and points to specific agencies that have such authority."); *WAC 197-11-660(e)* ("Before requiring mitigation measures, agencies shall consider whether local, state, or federal requirements and enforcement would mitigate an identified significant impact."); *WAC 197-11-660(g)* ("If, during project review, a GMA county/city determines that the requirements for environmental analysis, protection, and mitigation measures... in other applicable local, state or federal laws or rules, provide adequate analysis of and mitigation for the specific adverse environmental impacts of the project action under RCW 43.21C.240, the GMA county/city shall not impose additional mitigation under this chapter."); *WAC 197-11-768* (definition of mitigation includes "[m]onitoring the impact and taking appropriate corrective measures."); *Chuckanut Conservancy v. Washington State Dep't of Nat. Res.*, 156 Wn. App. 274, 292, 232 P.3d 1154, 1162 (2010) (rejecting the argument that compliance with the existing regulatory framework does not guarantee an absence of significant impacts); *Glasser, supra*, 139 Wn. App. 742.

SEPA does not require the inclusion of all the information bearing on the decision-making process within the EIS document itself. SEPA "encourage[s] and facilitate[s]" incorporation by reference of prior or supplemental documentation to "avoid wasteful duplication of environmental analysis and reduce delay." *Thornton Creek Legal Fund v. Seattle*, 113 Wn. App. 34, 50, 52 P.3d 522, 529 (2002); *see, e.g., Klickitat Cty.*, 122 Wn.2d at 637-38 (EIS demonstrated adequate consideration of historic resources by incorporating a study that provided "a reasonably thorough discussion" of the issue and could therefore "substitute[] for an otherwise inadequate level of analysis"). Information is not required to be included expressly in an EIS at all as long it is clear that it was known and considered. *See, e.g., Toandos*, 32 Wn. App. at 483 (EIS not inadequate for failure to reference comprehensive plan change because it was "apparent from the long history of the permit process that the decisionmaking official was well aware" of the effects on the proposal); *Concerned Taxpayers v. Dep't of Transp.*, 90 Wn. App. 225, 233, 951 P.2d 812, 816 (1998), ("failure to formally incorporate" a report in an EIS was harmless error because the report had been "circulated" and "considered").

Phased review is "appropriate" under the rules when "[t]he sequence is from an environmental document on a specific proposal at an early stage (such as need and site selection) to a subsequent environmental document at a later stage (such as sensitive design impacts)." *WAC 197-11-060(5)(c)(ii)*. The purpose of "phased review" of a proposal with multiple stages "is to enable agencies and the public to focus on issues ripe for decision and to exclude from consideration issues that are not yet ready." *Org. to Pres. Agr. Lands ("OPAL") v. Adams Cty.*, 128 Wn.2d 869, 879, 913 P.2d 793, 800 (1996). "Broader environmental documents may be followed by narrower documents, for example, that incorporate prior general discussion by reference and concentrate solely on the issues specific to that phase of the proposal." *WAC 197-*

11-055(2)(b). Phased review is "not appropriate" if it would "merely divide a larger system into exempted fragments or avoid discussion of cumulative impacts." *WAC 197-11-060(5)(d)(ii)*.

"Lead agencies shall determine the appropriate scope and level of detail of environmental review to coincide with meaningful points in their planning and decision-making processes." *WAC 197-11-060(5)(a)*. Agencies are instructed to prepare an EIS "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" and subjected to "some evaluation," even if "future agency approvals or environmental review" will be required. *WAC 197-11-055(2)(a)(i)*. Phased review constitutes adequate environmental review at the preliminary stages of a project when it has "identified potential impacts and provided a framework for further EIS preparation," particularly for projects whose full impact is "extremely difficult to assess." *OPAL*, 128 Wn.2d at 880 (citing *Cathcart-Maltby-Clearview Cmty. Council v. Snohomish Cty*., 96 Wn.2d 201, 208-11, 634 P.2d 853, 859 (1981)). Similarly, an "early-stage EIS is particularly appropriate when decisionmakers will have an opportunity to demand greater detail at a later project stage." *OPAL*, 128 Wn.2d at 880; *see also Toward Responsible Development v. City of Black Diamond*, No. 69418–9–I, 2014 WL 295838 at *5 (Ct. App. Jan. 27, 2014) (unreported) ("[P]hased review is appropriate. The approved deferred environmental review applies to those aspects of construction that can only be adequately analyzed after additional detail is known.").

The Department of Ecology's and the City's SEPA Rules (WAC Chapter 197-11 and SMC Chapter 19.04) authorize the use of a more flexible standard of review for a non-project EIS. WAC 197-11-442; SMC 19.04.150 (adopting WAC 197-11-442 by reference). WAC 197-11-704(2)(a) defines a "project action" as "a decision on a specific project, such as a construction or management activity located in a defined geographic area." "Project actions" "are limited to agency decisions to. . . [l]icense, fund, or undertake any activity that will directly modify the environment. . . ." *WAC 197-11-704(2)(a)*. By contrast, "nonproject actions" include legislative actions as well as those broader types of project-related actions such as "[t]he adoption of any policy, plan, or program that will govern the development of a series of connected actions... ." *WAC 197-11-704(2)(b)*. "Project" actions under SEPA are generally limited to proposals that directly modify the environment by moving dirt, while "nonproject" actions essentially include everything else. *Id.*; see also Settle, *The Washington State Environmental Policy Act: A Legal and Policy Analysis*, §14.01[3] at 14-62.5 (4th ed. 1993). Under WAC 197-11-442(1), "the lead agency shall have more flexibility in preparing EISs on nonproject proposals, because there is normally less detailed information available on their environmental impacts and on any subsequent project proposals." "If the nonproject proposal concerns a specific geographic area, site specific analyses are not required, but may be included for areas of specific concern. The EIS should identify subsequent actions that would be undertaken by other agencies as a result of the nonproject proposal. . . ." *WAC 197-11-442(3)*.

The phased environmental review process may not be used to collaterally attack the lead agency's previous programmatic policy decisions. *Glasser v. City of Seattle*, 139 Wn.App. 728, 738-39,162 P.3d 1134 (Div. I 2007). "Allowing opponents to use a project EIS to collaterally attack previous programmatic policy decisions would disrupt the finality of the decision and eliminate any benefits of phased review." *Id.*

PCI Plan Approval

Pursuant to SMC 17.20.050(K), the decision process for PCI Plans shall be as set forth in Chapter 17.50 SMC, Planned Unit Development Permit regulations. The application process for PCI plan applications is established in SMC 17.50.090 and .130.[7]

Pursuant to SMC 17.20.050(K), the following criteria must be satisfied in order for approval of a PCI plan to be granted.

B. In the planned commercial/industrial district, no land shall be used, subdivided, cleared, graded or filled and no building or structure shall be constructed, altered or enlarged on a parcel of two acres or larger except under the authority of an approved plan pursuant to this section; provided, an approval under this section shall not be required for road and utility corridors, or for temporary uses and structures for which no grading, clearing or building permit is required. The approved plan shall authorize development on land which is not to be further divided, and shall provide the basis and standards for processing of a binding site improvement plan or subdivision on land which is to be further divided for sale or lease of lots, parcels or pads.

C. On parcels in the planned commercial/industrial district of less than two acres, permitted uses shall be as specified for the business-general (B-G) district.

D. In the event two or more contiguous parcels in common ownership lie in whole or part in both the planned commercial/industrial district subject to the provisions of this section and the planned residential district subject to the requirements of Chapter 17.15 SMC, the owner may optionally elect to present one plan for all parcels, and the location of the residential and commercial/industrial uses thereon need not adhere strictly to the boundaries of each respective district so long as the minimum requirements for uses in each district respectively are met in the overall plan. Additional adjacent property with zoning designations other than PCI and PR may be included, provided they constitute no more than 15 percent of the total acreage of the proposal.

E. The planned/commercial industrial district allows and encourages a mix of uses, both vertically and horizontally, but does not require such a mixture.

F. Tracts included in a development proposal in a planned commercial/industrial district must be in one ownership or control, or be the subject of a joint application by owners of all of the property included.

G. At least 35 percent of the total acreage for the development proposal must be dedicated to open space, natural areas, parks, or greens, commons, or public assembly areas; provided, for projects subject to the provisions of subsection D of this section, the common open space may be provided within the area subject to the plan as a whole.

H. Proposed circulation, solid waste disposal and recycling, and water, sewer and stormwater management systems shall be designed in such a manner to allow adequate

and efficient expansion to accommodate development which can reasonably be anticipated on adjacent or nearby lands.

I. It is the intention of this section to encourage development proposals not constrained by fixed development standards, and toward that end, deviation from development standards of general applicability throughout the city may be authorized when the city council, with the advice of the planning commission, finds that such deviation would advance the purpose of the district as set forth in subsection A of this section, provided deviation shall not be allowed from development standards deemed necessary to protect health, safety or the environment. Any such deviations shall be included in the approved plan for the planned commercial/industrial development.

J. The application shall include all of the materials required for a planned unit development pursuant to SMC 17.50.090(B), together with the following information, together with a list of all development standards of general applicability from which a deviation is proposed, and a statement of how such deviation will achieve the purpose set forth in subsection A of this section.

K. The notice, hearing and decision process for applications for approval of a plan for development in the planned commercial/industrial district shall be as set forth in Chapter 17.50 SMC, Planned Unit Development Regulations.

Conclusions Based on Findings

SEPA Appeal

1. Consistent with SMC 2.14.100.C(4) and (5), SMC 2.14.100.E, and SMC 2.14.105.B, the scope of the instant appeal proceedings is limited to those issues stated in the appeal letter (Exhibit S1) that are sufficiently specific to apprise the parties of the factual basis upon which relief is sought. The undersigned previously ruled in response to the City's and Applicant's pre-hearing motions to dismiss that introductory statements in various portions of the appeal letter and attempting to cast a wide net through the use of phrases such as "include but are not limited to..." and "to name a few" are not adequate to serve as a basis for later identification of errors not specifically alleged in the appeal. *Record Document R14*. Issues raised at hearing that were outside the appeal letter cannot provide a basis for reversal of the EIS. These include the adequacy of analysis of stormwater, flooding, alternatives, compatibility, the validity of the AIP, comprehensive plan compliance, SMP compliance, and alleged economic and financial harms.

2. The undersigned previously dismissed the appeal letter's alleged error 2 concerning consistency with the Comprehensive Plan. In failing to present evidence on certain other errors alleged in its appeal letter, Appellant abandoned the issues stated in alleged errors 1h, 3b, 3c, 3d (as to safety and parking impacts), 3e, 3f, 3g, 3h, 3k, 3m, 3o, 3p, 3q, 4, 8, 9, 10, and 12. *Kittitas County v. Kittitas Cty. Conservation Coal*, 176 Wn. App. 38, 25, 308 P.3d 745 (2013) (unsubstantiated arguments are deemed abandoned on appeal); citing *Howell v. Spokane & Inland Empire Blood Bank*, 117 Wash.2d 619, 624, 818 P.2d 1056 (1991). This narrows the scope of issues to be decided in the instant SEPA appeal to the adequacy of analysis and/or responses to comments regarding environmental

impacts to environmental health, critical areas, transportation, water supply, land use, aesthetics, noise, and wildlife, with the use of phased review as an overarching legal issue.

3. Considering the undisputed testimony of Mark Johnson and Jason Rogers regarding the proper categorization of the Proposal with respect to varying levels of detail for Planning Area 1 versus Planning Areas 2 and 3, the undersigned is persuaded that the EIS is appropriately considered to be a hybrid project and non-project Proposal. Accordingly, it is properly analyzed under the more flexible standard set forth in WAC 197-11-442. *Toward Responsible Development (TRD) v. City of Black Diamond*, 179 Wn.App. 1012 (unpublished) 2014 WL 295838 at *5 (Div. I , 2014).

4. Considering the EIS and the record as a whole, the undersigned concludes that the EIS provides a sufficiently thorough discussion of the environmental impacts of the Proposal to satisfy the rule of reason. Overall, the Appellants' expert testimony forwarded perceived flaws in the level of analysis and study performed by the City. Unless the FEIS itself identifies a significant impact, SEPA requires an Appellant to meet the high burden of demonstrating the reasonable probability of the significant impact(s) they allege. This evidentiary standard is not met by the mere statement from an expert that they believe there will be significant impacts. Especially in light of the substantial weight required to be accorded to the SEPA Responsible Official's determination of adequacy, the Appellant did not introduce evidence sufficient to show the probability of any significant adverse impact that might result from the proposal that was not considered by the FEIS. This conclusion would be the same even if the EIS were not reviewed using the more flexible standard under WAC 197-11-442, because the City correctly utilized phased environmental review (further addressed in conclusion 5 below). The level of detail and discussion in the EIS for the different Planning Areas was appropriate given the amount of information currently available and reasonably expected to be provided for future phases.

5. On the issue of phased review, the evidence admitted supports the conclusion that the City correctly determined that phased review was appropriate for this stage of the Proposal. Washington courts have approved the use of phased environmental review for large, master-planned developments, where it is difficult to assess the full impact of a project at the outset. *Cathcart-Maltby-Clearview Community Council v. Snohomish County*, 96 Wn.2d 201, 208, 210, 634 P.2d 853 (1981); *see also Black Diamond* at *1, *5. Given that the proposed improvements for Planning Areas 2 and 3 are not yet available, phased environmental review is not only appropriate, is the only means of preparing an EIS "at the earliest possible point in the planning and decision-making process", and the information reviewed by the City was sufficient to allow the instant review to "allow some evaluation of [Planning Areas 2 and 3's] probable environmental impacts. *WAC 197-11-055(2)(a)(i)*. Mr. Weinman and Mr. Johnson testified that phased review is regularly performed on large master plan projects. Each has personally overseen or played a lead role in a number of EISs involving phased review, and in Mr. Johnson's case, they included EISs that involved phased environmental cleanup under MTCA. The

City of Snoqualmie's two master planned communities – Snoqualmie Ridge I and Snoqualmie Ridge II – were developed using a master plan process that involved phased environmental review.

As of the instant proceedings, building uses, footprints, and locations for Planning Areas 2 and 3 are not known. Site design and building locations are likely to be influenced by the MTCA process, which will occur in the future subject to independent Ecology oversight. Therefore, the EIS considered only a conceptual plan for Planning Areas 2 and 3; however, many impacts expected from development of Planning Areas 2 and 3 were included in the EIS in review of the Proposal as a whole are discussed, as Applicant and City witnesses testified. Based on the complete record, the undersigned concludes that the EIS discussion of impacts associated with the development provides a reasonably thorough discussion of the significant aspects of the probable environmental consequences of approving the Proposal. The EIS explicitly notes that greater project detail would be provided for Planning Areas 2 and 3 over time, as it becomes available, and that supplemental environmental analysis and documentation will be conducted as appropriate. As described in witness testimony, the use of phased review has not resulted in the City disregarding impacts, such as those alleged by Appellants, in Planning Area 1 or cumulative impacts from full buildout. Rather, the record demonstrates that phased SEPA review of the Mill Site PCI Plan, anticipated to take place over 10 to 15 years in coordination with phased master planning, would ensure that all required analysis would occur when impacts can be reasonably identified and mitigated.

6. On the issue of environmental health impacts from legacy contamination, the record

provides an adequately thorough discussion of the following facts: that some areas of contamination above MTCA cleanup levels are located in Planning Areas 2 and 3; that further investigation is needed to develop a complete understanding of these areas; and that this investigation will be required and directed by Ecology pursuant to MTCA prior to development of Planning Areas 2 and 3; that no such areas have been identified in Planning Area 1; that Ecology will review Farallon's conclusion that no such areas exist, and that Ecology will require additional investigation prior to development proceeding in Planning Area 1 if Ecology deems necessary. The Appellant does not dispute that this information will be obtained and reviewed by Ecology or that the MTCA process will result in the comprehensive investigation and remediation of the Mill Site. Considering the record as a whole, and applying the substantial deference owed the SEPA Official's determination, the undersigned is not persuaded based on the record that the EIS is inadequate simply because the further MTCA investigation that will be required by Ecology has not yet occurred.

a. Procedurally, the Appellant did not cite to, and the undersigned is not aware of, any legal authority that supports the Appellant contention that all information that will eventually be relied upon by Ecology regarding clean up of the site's legacy contamination must be contained in the EIS. SEPA encourages reliance on existing

laws and the actions of other agencies for mitigation. *WAC 197-11-660(1)(e), (g)*[8]*; Cascade Bicycle Club*, 175 Wn. App. at 515 (EIS "sufficiently addresses

reasonable mitigation measures" where it "acknowledges that further actions may be necessary to reduce the environmental impacts it discusses and points to specific agencies that have such authority."); *see also* WAC 197-11-442(3) ("EIS should identify subsequent actions that would be undertaken by other agencies as a result of the non-project proposal... ."). The appeal contends that the City must possess all of this information in order to make its own determination, but SEPA does not require the City to be the sole decisionmaker on every impact – particularly where another agency possesses greater expertise and jurisdiction to require remediation. Significantly, the Appellant did not identify any consequence that would be avoided by requiring the City to wait for a "comprehensive investigation" before issuing the EIS, nor any potential impact that the MTCA process will not address. Appellant and Applicant witnesses did not disagree regarding the facts in the documentation of prior activities and known contamination on Planning Areas 2 and 3. The Appellant did not dispute that development will not take place in those Areas before a full RI/FS process under MTCA occurs. The City did not clearly err in determining that the MTCA process would be sufficient to avoid or mitigate further impacts to environmental health from development of Planning Areas 2 and 3.

b. Regarding Planning Area 1, the evidence did not establish a <u>likelihood</u> of unknown contamination or of environmental health impacts from development prior to remediation of Planning Areas 2 and 3. Ms. Jenkins' assertions that additional hazardous material associated with railroads, gardening, buried equipment, buried tanks, or wood waste could be present on Planning Area 1 were expressly advanced as "possible" rather than likely. Absent evidence, even considering her experience with or knowledge of other mill site clean ups, her opinions on these matters are accurately characterized as speculative, and an EIS is not required to address speculative issues. Mr. Schmitt stated why he believed these potentially undiscovered sources of contamination and associated impacts were unlikely. He also addressed Mr. Jack's concern about potential exposure to Planning Area 1 residents by describing the MTCA-required safety measures that would be required to be implemented to guard against such impacts. The difference of opinion between professionals is not sufficient to establish clear error by the City, particularly because it is undisputed that Ecology's oversight of the full Mill Site (including Planning Area 1) will provide an additional safeguard and opportunity to require further review.

c. Regarding Farallon's subsurface investigation, the evidence does not establish that reliance on the investigation's conclusions undermines the adequacy of the EIS. Appellant witnesses asserted that the investigation was insufficient to establish a lack

of contamination on the entirety of Planning Area 1. As explained by Mr. Schmitt, the investigation was not intended to stand alone but instead to

provide additional data in response to Ecology's question about migrating contamination. In response to Ms. Jenkins' testimony that a much larger number of test pits would be needed to reach a conclusion about the presence of contamination Planning Area 1, Mr. Schmitt stated that that would not be appropriate because of the known uses in this area, which made undiscovered contamination less likely. Mr. Schmitt also testified that the full record of data from the investigation would be made available to Ecology. Based on this record, the inclusion of the 2021 Farallon investigation in the EIS did not render the conclusions about environmental health clearly erroneous.

d. Regarding the Appellant contention that approving the PCI Plan at this juncture risks allowed the Applicant to "carve off" the profitable portion of the Mill Site and forego future cleanup, the evidence does not support a conclusion that this is a serious concern, nor that it renders the EIS inadequate. The undersigned credits the testimony of Mr. Johnson, based on his personal experience as a SEPA Responsible Official, that a large, former mill property can be successfully cleaned up and redeveloped in phases, utilizing phased environmental review. Notably, as Mr. Weinman testified, phased development of Planning Area 1 is intended to provide the funds necessary to pay for future cleanup of Planning Areas 2 and 3

7. On the issue of critical areas, the record demonstrates that the Proposal was specifically

designed to avoid direct impacts to wetlands, streams, and jurisdictional ditches and that the development of Planning Area 1 would not result in adverse impacts to wetlands. Alleged error 1a, which states that the FEIS did not adequately respond to Dr. Cooke's comments regarding the DEIS, is the only remaining appeal issue specifically concerning critical areas.

a. Dr. Cooke's testimony is the only evidence cited in the Appellant's closing brief for a range of assertions about critical areas that Appellant claims demonstrate that the EIS is inadequate, and the Applicant's response brief addressed each of these points. The Appellant's reply brief defends only one of the assertions and does not provide any response to Applicant's arguments regarding the others. Although this suggests that Appellant has abandoned all but one of its arguments, the undersigned need not resolve that legal question because the evidence as a whole does not establish that the EIS analysis of critical areas is inadequate.

b. The sole issue addressed in Appellant's reply brief is the EIS's inclusion of a representative sample of wetland rating sheets rather than a full compendium, which Appellant suggests raises the question of whether wetlands were fully rated under the 2014 system. Mr. Wright directly responded to this argument, stating that he had used the 2014 rating system and that the underlying data sheets supporting his conclusions had been provided to the Corps. Mr.

Wright's professional experience and history of analyzing wetlands on the Mill Site provides a sufficient basis for the City to accept his conclusions, particularly where the data supporting his analysis was

reviewed by the US Army Corps of Engineers, which agency with expertise issued a jurisdictional determination in May 2017. Under the rule of reason, the mere fact of expert disagreement is insufficient to demonstrate inadequacy. None of Appellant's alleged errors about critical areas go beyond asserting a desire for more information, which does not establish inadequacy under the rule of reason. *Gebbers v. Okanogan Cty. Pub. Util. Dist. No. 1*, 144 Wn. App. 371, 388–89, 183 P.3d 324, 332 (2008); *Toandos,* 32 Wn. App. 473, at 483. The City did not clearly err in finding that the EIS's inclusion of a sample of wetland rating sheets was adequate.

c. Evidence regarding required investigation and remediation under the MTCA process, as discussed previously, establishes that development of the Proposal will include adequate mitigation for potential impacts from legacy contamination, including mitigation for any impacts to critical areas. The MTCA clean up process will include evaluation by Ecology of potential pathways for exposure and will require the use of media management techniques during construction to prevent migration of contamination. Dr. Cooke testified that critical areas may be degraded due to contamination in their current condition; however, that would not be an impact of the Proposal. Further, Dr. Cooke did not provide evidence supporting her assertions capable of resulting in different conclusions than those reached in the EIS, and such speculative issues do not have to be addressed for an EIS to be adequate.

d. Dr. Cooke testified that she believed more detail regarding potential impacts from the Proposal to wetland hydrology in required for the EIS to be adequate. On questioning, she clarified that she did not know of any unanalyzed impact to wetland hydrology, but she believed more information was needed to rule out the possibility. Again, asserting the opinion that more information is needed is not sufficient to establish inadequacy under the rule of reason. The City did not clearly err in concluding that the abundant technical information provided by Mr. Wright, Mr. Goldsmith, and other technical consultants was sufficient to form conclusions about wetland boundaries and wetland hydrology. No direct impact to any wetland is proposed, and the appeal has not brought forth evidence that shows wetland health or hydrology will be disrupted.

e. The appeal failed to provide evidence demonstrating any impact on the critical area features of Planning Areas 2 and 3 that would result from the proposed development of Planning Area 1. Dr. Cooke's opinion that the areas could be hydrologically connected does not constitute the required evidence. Mr. Goldsmith testified that in addition to determining that buildings

sufficiently sized for the proposed uses in Planning Areas 2 and 3 could be constructed without direct impact to wetlands, those areas are currently occupied by significantly more impervious surface area than Planning Area 1, and thus development of Planning Areas is expected to result in less hydrologic impact due to less conversion of pervious to impervious surface. The EIS and witness testimony also affirmed that a specific hydrologic analysis will be performed when development is proposed in Planning Areas 2 and 3. Appellant's evidence did not establish clear error with respect to this approach.

f. The USACE jurisdictional determination, which expired on May 3, 2022, did not

identify any jurisdictional features in Planning Area 1. It had not expired when the DEIS and FEIS were issued, nor when the hearing in this matter occurred. Mr. Wright testified that the Applicant's current effort to obtain an extension from the Corps will include the requirement for the Applicant to update any information that the Corps deems necessary. Although she stated that the jurisdictional determination was out of date, Dr. Cooke did not identify any wetland delineation or rating, or other feature that she believed to be inaccurate in a way that would change the EIS analysis or that could not be addressed based on updated information in the future. The record submitted does not establish that the EIS is inadequate due to the age of the jurisdictional determination.

8. On the issue of transportation, the record as a whole supports the conclusion that the EIS

adequately discusses transportation, including impacts from both Planning Area 1 and full buildout, and identifies the mitigating measures that are acknowledged to be necessary to mitigate future traffic impacts. The Appellant's transportation expert identified various additional details he believes the EIS should have included, but the appeal did not provide introduce evidence sufficient to show the probability of any significant adverse traffic impact that might result from the proposal that was not considered by the FEIS. Under the rule of reason, neither the mere fact of expert disagreement nor the assertion that more information should have been considered establish inadequacy. *Gebbers v. Okanogan Cty. Pub. Util. Dist. No. 1*, 144 Wn. App. 371, 388-89, 183 P.3d 324, 332 (2008); *Toandos*, 32 Wn. App. at 483.

a. The evidence did not establish that the use of traffic counts from January and February 2018 renders the EIS inadequate. Appellant's reply brief asserts that Mr. Schramm's statements about the appropriateness of using two-year-old traffic counts are conclusory, but the burden of establishing error is on the Appellant. Aside from the opinion of Mr. Norris that two year old traffic counts are unreliable, the Appellant offered only data collected in 2016 from

one PTR on SR 18 in the region but not immediately serving the Mill Site, which under the rule of reason did not succeed in demonstrating that the counts were rendered inaccurate because of the year they were collected. Mr. Schramm's explanations as to why 2018 traffic counts were appropriate as a basis for comparative future projections of the impacts of this Proposal was sufficiently specific under the rule of reason. The same is true of Mr. Schramm's and Mr. Breiland's responses to Mr. Norris's testimony about the seasonal fluctuation in daily traffic volumes south of I-90. The City did not clearly err in accepting Mr. Schramm's and Mr. Breiland's analyses.

b. Evidence offered in support of the appeal failed to establish that Mr. Schramm's designation of Planning Area 1 as a shopping center for trip generation purposes, or his employment of pass by and internally captured trip calculations, rendered the EIS inadequate. Mr. Schramm explained why the manner in which he classified the uses in the Proposal, and in which he accounted for pass by, diverted, and internally captured trips, would provide a more accurate picture of the Proposal's traffic impacts

than would have been achieved by considering all of these trips to be net new trips. The Appellant's evidence established that the EIS did not precisely apply the ITE Manual's definition of pass by trips, but it did not counter Mr. Schramm's testimony regarding why the EIS more accurately reflects the trips and intersection impacts that will actually occur. The evidence shows there is a difference of opinion between two qualified transportation experts, and it establishes that the Appellant's expert believes more information would have shown a different level of impact, neither of which without evidence of probable, significant adverse impact satisfies the Appellant's burden of proof.

c. The evidence did not establish that the Proposal's weekend traffic impacts would be higher than its weekday impacts and thus did not establish that a specific weekend LOS calculation was needed. Although Mr. Norris posited reasons why weekend traffic impacts could occur, the appeal did not provide evidence that countered Mr. Schramm's and Mr. Breiland's explanations as to why peak-hour impacts were likely to be lower on weekends. In light of this testimony and the City's adopted standard focusing on weekday peak-hour traffic, this did not demonstrate clear error.

d. The evidence did not establish that the Proposal will cause significant impacts to transit, bicycles, or pedestrians. Although Mr. Norris testified that more detail would be helpful in promoting alternate modes of transportation and reducing auto dependence, Mr. Schramm and Mr. Breiland established why such analysis was not necessary to provide an accurate picture of transportation impacts from the Proposal, whose residents, employees, and visitors will primarily rely on motor vehicles. Including alternate mode trips could be expected to reduce the percentage of vehicle trips, and thus focusing on vehicles results in the more conservative analysis. The Appellant's desire

for further discussion of policies to support alternative transportation modes does not constitute an unaddressed impact of the Proposal and is irrelevant to the question of EIS adequacy.

e. The Appellant failed to demonstrate any reason why the EIS must include a full construction management plan. The City's analysis was consistent with the rule of reason because it does not ignore the possibility of construction impacts; instead, it acknowledges the need for mitigation and provides for development of a specific construction management plan once sufficiently accurate information is known about what the impacts are likely to be. The Appellant has not shown that waiting to develop the plan until more details are known about the Proposal will prevent the City from understanding or addressing any actual construction impacts, and provides no citation to authority or industry standard requiring the City to do so at time of EIS, and thus has failed to demonstrate inadequacy under the rule of reason.

9. On the issue of water supply, the record shows that sufficient supply exists to serve Planning Area 1, but that sufficient supply may not be available to serve Planning Areas 2 and 3. Recent analysis by the City's consultant, RH2, indicated that because recent City water usage has been lower than projected, the City has more available water supply

than expected. Depending on the details of proposed buildings in Planning Areas 2 and 3, the City may already have sufficient water to serve the entire PCI Plan. The evidence establishes that the SEPA Official and other City decisionmakers are aware of the water supply issue, which is considered in the context of the broader City water system plan update, and that options exist to provide sufficient supply that do not require the discovery of previously unidentified sources. Although unresolved questions remain, the evidence demonstrated that the City is aware of the issues and is employing the services of qualified experts to address them. Particularly in light of the non-project nature of SEPA consideration of Planning Areas 2 and 3, the EIS's discussion of water supply is consistent with the rule of reason.

a. Appellant's closing brief argues that the FEIS response to comments erroneously fails to respond to the July 13, 2020 King County letter. The FEIS does not specifically reference the letter, but in discussing and incorporating the process of water system planning and updating that puts detailed information about water supply before City decisionmakers, the FEIS speaks to the concern in the King County letter. The evidence does not establish that the Proposal will have an adverse impact on unincorporated King County residents served by the City of Snoqualmie water system. These residents and other current users are currently served either by the existing City water system or have their own, permit-exempt wells. None of the water supply options discussed by the EIS and described by Ms. Campbell involve diverting water from existing connections to serve the Mill Site. Further, the

concerns described in the letter regarding future users were discussed at length during the hearing. Michele Campbell's re-direct testimony demonstrated not only that water needs for potential annexations in the UGA were analyzed and taken into account in the 2021 WSP Update, but that King County officials had been specifically consulted on the question. Based on this work, Ms. Campbell demonstrated that the King County letter's concerns were "not well-founded," and therefore did not raise an impact which required a response. In light of Ms. Campbell's testimony, under the rule of reason, the EIS was not required to specifically respond to the County's comment letter on this point. Finally, the fact that the WSP Update documents are not included in the EIS document does not mean they are irrelevant to the adequacy of environmental analysis. *See Toandos Peninsula Ass'n v. Jefferson Cty.*, 32 Wn. App. 473, 483 (1982) (EIS not inadequate for failure to reference comprehensive plan change because it was "apparent from the long history of the permit process that the decisionmaking official was well aware" of the effects on the proposal); *Concerned Taxpayers v. Dep't of Transp.*, 90 Wn. App. 225, 233 (1998) ("Failure to formally incorporate" a report in an EIS was harmless error because the report had been "circulated" and "considered.").

b. The Appellant's closing brief argues that the FEIS inappropriately disregarded impacts to water supply for future unincorporated King County residents on the grounds that growth is projected to be low. This claim is incorrect. Ms. Campbell testified that she followed the recommendation of the former King County UTRC chair, Steve Hirschey, and worked with City staff Jason Rogers to project

employment and population figures from future annexations of the portion of unincorporated King County that lies within the City's urban growth area and is projected to be annexed into the City by 2040. In her testimony, Ms. Campbell identified Figure 3-1, Table 3-1, Chart 3-1, and page 3-8 of the WSP Update where the potential annexation areas are identified, and the potential new employment and population projections are identified and discussed. As Ms. Campbell testified, she used these projections in analyzing potential future water demand in the WSP Update. In other words, the WSP's projected water needs include both water needs related to the Mill Site Planning Areas 2 and 3 *and* water needs from the potential new residents from annexation of the unincorporated UGA.

c. Appellants' Reply Brief claims that the City identified 1,000 potential new residents

in the UGA but has not planned for their water service, or that the Mill Site will be served to the detriment of those new residents, are simply not well-founded or supported by evidence. The 2021 WSP Plan Update identifies strategies by which the City will meet its projected water needs, and Ms. Campbell's testimony to that effect on re-direct was not rebutted by

Appellants. As noted above, the fact that the 2021 WSP Update was not included in the EIS itself does not render the EIS inadequate. *Toandos Peninsula Ass'n v. Jefferson Cty.*, 32 WN. App. 473, 483 (1982); *Concerned Taxpayers v. Dep't of Transp*., 90 Wn. App. 225, 233 (1998); *Cascade Bicycle Club v. Puget Sound Reg'l Council*, 175 Wn. App. at 515.

10. On the issue of the EIS' adequacy in analyzing the PCI Plan's compatibility with adjacent

land uses, the appeal letter (Exhibit S1) did not include a specific claim regarding this issue. Had it raised this claim, the evidence does not demonstrate that the SEPA Responsible Official's EIS adequacy determination was clearly erroneous. On the claim actually raised in the appeal letter - alleged Proposal inconsistency with adopted growth targets - the record submitted fails to establish that the Responsible Official's determination was clearly erroneous.

a. Consistent with the prehearing ruling (Exhibit R14), alleged errors not perfected in the notice of appeal are not included in the scope of this appeal. During the hearing, the undersigned permitted Mr. Derdowski's testimony on a range of topics to be admitted over objections, because it was often difficult to immediately discern whether the testimony was relevant to an issue within the scope. Throughout his testimony, Appellant counsel and witness were requested to stay within the scope and were instructed that testimony on topics outside the scope would not be considered or relied upon. The undersigned concludes that none of the errors alleged in the notice of appeal raises a challenge to the EIS analysis of PCI Plan compatibility with adjacent land uses. Therefore, the issue of adequacy of EIS analysis of compatibility with adjacent land uses is outside the scope of the appeal, and Mr. Derdowski's testimony on that issue is not considered. The only issue to which Mr. Derdowski testified that was raised in the appeal letter was alleged error 5, which argued that the Proposal is inconsistent with applicable growth targets under the Growth Management Act. However, compatibility with growth targets does not, by itself, establish a significant adverse environmental impact. Instead, Appellants' position on this issue appears to be an attempt to use the EIS appeal proceeding to collaterally attack previous City programmatic policy decisions in the Comprehensive Plan, approval of the post-Annexation Implementation Plan, and elsewhere, to provide the framework for a PCI-planned redevelopment of the Mill Site. Consistent with the pre-hearing ruling on motions, "the scope of the appeal does not include a challenge to the AIP." In addition, such collateral attacks are improper. *Glasser*, 139 Wn.App. at 738-39. Finally, neither the Appellant nor Mr. Derdowski disputed evidence that King County has adopted and the City Council has ratified new growth targets, and that the Proposal is consistent with these. The record submitted does not establish clear error with regard to alleged error 5. *Exhibit C31 and C32*.

b. Even if the other issues discussed by Mr. Derdowski were to be considered "within the scope," the undersigned respectfully concludes that they do not establish clear error. Mr. Johnson described how elements of the Proposal that could affect adjacent areas are discussed in the EIS. Mr. Derdowski's assertions that the County will change its zoning and that rural residents will move are speculative, and any rezoning process will itself be subject to SEPA review that can account for the planning-level impacts Mr. Derdowski alleges.

c. Mr. Derdowski's testimony was offered by Appellants as expert testimony, but Appellants did not offer a resume or CV for Mr. Derdowski. While he testified at some length about his experience acting as an "adviser" to Appellants and other citizen group project opponents, and about his prior service as an elected County Council member, his testimony did not demonstrate the requisite level of knowledge, skill, experience, training, or education to qualify as expert opinion testimony under ER 702, even if the issue of compatibility with adjacent land uses had been timely raised in the appeal letter. His testimony also lacked sufficient personal knowledge and foundation to be admissible as fact testimony, as he acknowledged a lack of specific information concerning land uses within the City of Snoqualmie and adjacent areas, as opposed to within the City of North Bend.

11. On the issue of wildlife, evidence and argument offered by the Appellant fail to establish that a significant wildlife impact has gone undiscussed or that the EIS is otherwise inadequate on this element of the environment. Mr. Erland testified that development of the Proposal will cause elk to cease using some areas they currently use. Mr. Erland acknowledged that elk roam throughout the valley and that they will be able to use the open space preserved on the Mill Site. The EIS acknowledges that new buildings and paved areas may displace wildlife, and Appellant's evidence did not demonstrate that its discussion was inadequate.

12. On the issues of aesthetics and noise, the evidence does not establish that a significant impact has gone undiscussed or that the EIS is otherwise inadequate. Ms. Linney expressed general concern that light from the Proposal would alter its surroundings, that construction associated with the Proposal would increase noise levels, and that she was

uncertain about the construction timeline. The EIS acknowledged that some light from the Proposal will be visible at night and discusses that nighttime light and glare can be mitigated through the adoption of a master plan that includes design standards requiring measures to limit nighttime light pollution and exterior illumination that reduces off-site light pollution. The DEIS also states that construction noise is not considered significant because it is temporary and that construction for each planning area is anticipated to last approximately one year. Appellant's reply brief does not reference either of these issues or respond to the

City's arguments. The evidence does not establish that the EIS is inadequate on the subjects of noise or aesthetics.

13. SEPA appeal evidence not cited and arguments not addressed in these findings and/or conclusions were found, with respect, not to be sufficiently relevant, credible, or persuasive and, under the rule of reason and in light of the substantial weight required to be accorded to the SEPA Responsible Official's determination, do not support reversal of the City's determination of EIS adequacy.

PCI Plan Application

14. The record demonstrates that the public notice requirements of SMC Chapters 17.50 and 17.85 have been satisfied.

15. The undersigned concludes that the Proposal is consistent with the requirements of SMC 17.20.050 for the reasons stated in the staff report's Conclusions of Law 3 through 11, which are adopted and incorporated herein by reference.

    a. Regarding comments that submitted that the Proposal is inconsistent with SMC 17.20.050.I, which provides that the purpose of the PCI district is to provide for development "at a scale which serves to maintain existing small-town character," the undersigned concludes that the PCI Plan is consistent with the City of Snoqualmie's small-town character as defined by the Comprehensive Plan. The Comprehensive Plan defines the City's small town character as related to pedestrian scale and orientation, traditional design, identifiable neighborhoods and closeness to the natural environment (Community Character Element, 5-1). This character is also defined by views of the landscape, the City's history, and large areas of undeveloped forest and open space. Community Character policies specific to the Mill Site are identified and evaluated in the Draft EIS (page 3-174). The PCI Plan addresses and satisfies these elements: it would preserve view corridors to important natural features identified in the Comprehensive Plan (Mt. Si, Mill Pond); it would preserve buildings that reflect the City's industrial history; and it would preserve large areas of the site as undeveloped open space. While the Proposal would place new development adjacent to rural residential areas, it would employ vegetation, open space, and design features to buffer these areas from intrusive views, noise, and lighting.

    b. To an extent, the concept of community character is subjective and based on individual perception. Some who commented simply view industrial development at the proposed scale as being inconsistent with their perceptions of small-town

       character. Arguably, there is some tension between some perceptions of small-town character and industrial development. The Comprehensive Plan and PCI zoning resolve this tension by allowing the industrial and commercial development proposed on the Snoqualmie Mill site, provided that

it can mitigate its impacts. Based on the record submitted, the Proposal would mitigate perceived impacts to community character through design and mitigation measures. Comments regarding small-town character questioned the visual compatibility of the Proposal with existing surroundings. The EIS visual analysis (Section 3.9) does not claim that development would be completely invisible. The submitted simulations verify that the site would be screened from most public views and minimally visible from many off-site locations. The Proposal would not be visible from Snoqualmie Falls. Development at the proposed scale would preserve views of important natural features, including Mt. Si. Retained vegetation and open space around the site perimeter would screen adjacent rural areas from noise and lighting. The noise analysis indicates that the adjacent rural areas to the north would not experience significant noise impacts, and no evidence competent to prove the contrary was submitted. The Applicant has committed to limit lighting by implementing dark sky standards, and the Staff Report imposes additional conditions to limit lighting. The PCI zone performance standards would also limit spill over impacts.

c. The City's existing small-town character historically came into being side by side with industrial development on the Mill Site. The Proposal would develop commercial and industrial uses consistent with the zoning designations that were applied to the site upon annexation and that have been planned for in the Comprehensive Plan. The site itself has not been planned or zoned by the City to be rural, or to allow only small scale development, but rather to contain its impacts to adjacent rural lands and the elements of small town character. The Mill site is a distinct "neighborhood" designated in the Comprehensive Plan; it is also spatially distinct, physically separated by the Snoqualmie River and Mill Pond Road from the rest of the City. While the amount of development proposed by the PCI Plan is substantial (1.8 million spare feet), the site is large (261 acres). The development - including all building footprints, roads, and other impervious surfaces - would be compact, preserving nearly two-thirds of the site as open space. This proposed development density is low relative to most industrial development.

d. The Draft EIS discusses land use compatibility based on existing uses located adjacent to the site, and planned land uses defined in King County's and the City's relevant plans and zoning designations. Adjacent uses to the north of the PCI Plan site, in unincorporated King County, are low density rural residential, King County open space, and industrial (CalPortland gravel mine). Some portion of the open space will eventually contain a portion of the Snoqualmie Valley Trail (SVT). A portion of the trail would also be developed east of the PCI Plan site, on the hillside property which the Applicant sold to King County for this purpose and which is currently occupied by the DirtFish driving school. The precise alignment of the trail has

not been determined. Planning Area 1 development would be separated from rural uses

to the north by a 35-acre open space area which is subject to a conservation easement, and by extensive existing vegetation bordering the PCI Plan site. The assertion that the proposed industrial/commercial uses, located within the City, are more intensive than adjacent rural uses located in the County and therefore "incompatible" is oversimplified and does not tell the whole story. Distance, vegetation, open space, visibility, design, noise and other emissions, operating characteristics, and relevant mitigation measures are the ultimate determinants of compatibility. The Draft EIS notes these factors and concludes correctly that significant incompatibilities would not occur. The uses and scale of development proposed are consistent with the PCI zoning. Accordingly, challenges to the uses and densities allowed on the site are in effect a retroactive challenge to the zoning. The time period for contesting the zoning has long since passed and it cannot be indirectly challenged through subsequent approvals such as this one.

16. The undersigned concurs with the statements in the Staff Report's Conclusions of Law 12 through 25 regarding the requested deviations and proposed mitigating conditions. These conclusions are adopted and incorporated herein by reference.

17. The City takes the position that the PCI Plan Application must be evaluated for conformance with the Planned Unit Development regulations in SMC Chapter 17.50, including the application requirements in SMC 17.50.020, the general and specific standards in SMC 17.50.050 and .060, and the requirements for a report and recommendation from the Hearing Examiner as specified in SMC 17.50.090(E). The Applicant does not agree that these requirements must be met. The undersigned need not resolve this legal dispute because the Proposal is consistent with the Planned Unit Development criteria for the reasons stated in Conclusions of Law 26 through 71 of the Staff Report. These conclusions are adopted and incorporated herein by reference.

18. PCI Plan application evidence not cited and arguments not addressed in these findings and/or conclusions were found, with respect, not to be sufficiently relevant, credible, or persuasive and not to support denial of the application for PCI Plan approval.

EXHIBIT B

COMMUNITY DEVELOPMENT DEPARTMENT STAFF REPORT TO THE HEARING EXAMINER ON PLANNED COMMERCIAL INDUSTRIAL PLAN APPLICATION, PCI 2017-0001/ SEPA 2017-0003

Snoqualmie Mill Planned Commercial/Industrial Plan Application

SUBJECT

The applicant (Snoqualmie Mill Ventures, LLC [SMV]) is seeking City approval of a Planned Commercial/Industrial (PCI) Plan. The PCI Plan proposes the development of the 261-acre Snoqualmie Mill site in three major phases/planning areas over an approximate 10- to 15-year period. Buildout would include a total of approximately 1.83 million gross square feet (sf) of light industrial/manufacturing, warehouse, office, retail/restaurant, and residential uses. The proposed PCI Plan includes requests for several deviations from development standards in the Zoning Code. The applicant will enter into a development agreement with the City for the project to guide subsequent planning and development of the overall site in accordance with the Snoqualmie Mill PCI Plan.

A. SUMMARY OF PROPOSED ACTION

Snoqualmie Mill Ventures, LLC has applied for a PCI Plan approval to redevelop the former Snoqualmie Mill site located north of downtown Snoqualmie over an approximate 10- to 15-year period. The site has been divided into three distinct areas (planning areas) for purposes of planning and permitting; each planning area generally corresponds to a phase of development, and the amount and detail of information vary among the planning areas.

The PCI Plan application provides detailed information for Planning Area 1, an approximate 102-acre area in the northwestern portion of the site proposed as the first phase of development. Application materials are attached. Exhibit A, attached, provides a table indicating the required information for a PCI application and where to find that information in the application materials. Exhibit B includes the site plans showing the planning areas.

An Environmental Impact Statement (EIS) was prepared for the proposed PCI Plan. The EIS and its technical appendices use the terms Proposal, proposed action, proposed PCI Plan, Snoqualmie Mill Proposal, or proposed project interchangeably. In this Staff Report, the term "the project" is used to refer to the overall project, and "PCI Plan" is used specifically for the requested approval.

Development at buildout would include 1.83 million square feet of commercial, light industrial, warehouse, and office uses; an estimated 3,400 jobs could locate on the site. **Table 1** identifies the mix and amounts of land uses by planning area.

Table 1. Snoqualmie Mill Development Plan – Total Site (Gross Leasable Area/Gross Acres[1])

	Planning Area 1	Planning Area 2	Planning Area 3	
Warehouse/ Manufacturing	280,000 sf	400,000 sf		680,000 sf [37% of gross leasable area]
Light Industrial	120,000 sf			120,000 sf [7%]
Retail/Restaurant[2]	70,000 sf		25,000 sf	95,000 sf [5%]
Residential (Mixed-Use)[3]	134,000 sf			134,000 sf [7%]
Office/Campus	--	--	800,000 sf	800,000 sf [44%]
Total	**604,000 sf**	**400,000 sf**	**825,000 sf**	**1,829,000 sf**
Building Footprint Area (Gross)	11 acres	9 acres	19 acres	39 acres [15% of total site area]
Open Space[4]	69 acres	34 acres	63acres	166 acres [63%]
Roads/ Other Impervious[5]	22 acres	13 acres	21 acres	56 acres [22%]
Total Area [6]	**102 acres**	**56 acres [6]**	**103 acres**	**261 acres**

Notes:

[1]Numbers are rounded.

[2]Includes restaurant uses (approximately 15,000 sf), specialty retail (49,000 sf), and indoor event center spaces (31,000 sf).

[3]Assumes 160 residential units@835 sf located on the 2nd floor through 4th or 5th floors of mixed-use buildings in Planning Area 1. Units would be rental, market rate, in a mix of one- and two-bedroom apartments.

[4]Total open space is comprised of several types and categories: natural open space, which includes wetlands, streams, and their associated buffers; constructed wetlands; undeveloped land used for compensatory flood storage, habitat, trails, and passive open space; and active open spaces including landscaped areas, landscaping within public plazas and lawn areas, small outdoor spaces adjacent to individual buildings, ornamental plantings, and parking area landscaping. Planning Area 1 contains approximately 69 acres of passive and natural open space (including 53 acres subject to a conservation easement) and 5 acres of landscaped open space area.

[5]Includes roads, sidewalks, parking areas, plazas, etc.

[6] The total area of the development plan and Planning Area 2 includes 15.7 acres that are located in the City's Urban Growth Area ("UGA") in unincorporated King County, which will be annexed to the City prior to a development proposal for Planning Area 2. Of the 15.7

acres, 12 acres are identified as open space and 4 acres would be developed for warehouse uses. Refer to Exhibit 2.3-3 of the Final EIS for PCI Plan calculations without the unincorporated parcel.

Planning Area 1 would be developed in the near term and would contain 604,000 sf of development, including 160 residential units in upper floors of mixed-use buildings. Planning Area 1 would contain a mix of light industrial, commercial/retail, warehouse, and residential uses along a pedestrian-oriented main street, and generally focused on the production and storage of wine with supporting retail services such as tasting rooms and restaurants.

Plans for Planning Areas 2 and 3 are still conceptual at this time, but based on current planning, Planning Area 2 would be developed for warehouse and manufacturing uses, and Planning Area 3 for office use.

After full development of the project, approximately two-thirds of the overall site (166 acres, 63%) would remain undeveloped and be maintained for open space, landscaping, wetlands and streams, wildlife habitat, and flood storage; 37% of the site would be developed with buildings and other impervious surfaces. The development focus would be on the production and storage of wine, including compatible related uses such as tasting rooms, restaurants, and specialty retail shops.

The applicant proposes to enter into a development agreement with the City, as authorized by state law (Revised Code of Washington [RCW] 36.70B.170). In general, the agreement would establish development standards and review procedures applicable to the site. The development agreement will address, among other things, vesting provisions and exemptions from vesting; documentation of mitigation requirements and development conditions that apply to the project; any deviations from Code provisions that are permitted; procedures for future review and revision of the PCI Plan; requirements for additional State Environmental Policy Act (SEPA) review for subsequent phases of development; the term of the agreement; and provisions for specific aspects of the site or development, such as retention of open space, protection and enhancement of wetlands and buffers, road facilities, stormwater, and utilities.

The PCI Plan approval sought is for the overall development plan in the three planning areas at a master plan level, as evaluated in the EIS, with a project-level approval for Planning Area 1. The applicant's objective is to allow the first stage of development to move forward to building permits and construction, recognizing that future phases will need to be more completely detailed before construction can proceed. For Planning Areas 2 and 3, further environmental review may be required, and the master plan would be amended accordingly when the details of those future phases are established.

The applicant also proposes to provide a set of design guidelines that would apply to all development within the project site regarding site layout, architectural character, and environmental standards. The applicant has indicated that the final design guidelines will be

prepared after approval of the PCI Plan and will incorporate relevant requirements of that approval.

As allowed by one of the PCI Plan provisions of the Snoqualmie Municipal Code, Section 17.20.050(I), the Proposal includes a request to deviate from some of the development standards that would otherwise apply to the proposed uses, structures, and open space. The deviations would allow development that departs in some manner / degree from the following sections of the City of Snoqualmie Municipal Code (SMC):

- SMC 12.16 - Street design standards (street layout and lighting).
- SMC 17.55.020 - Requirement for conditional use permit for second-story dwelling units above nonresidential uses in PCI zone.
- SMC 17.55.020 - Requirement for conditional use permit for restaurants in PCI zone.
- SMC 17.55.020 - Requirement for conditional use permit for retail restaurants, specifically tasting rooms in PCI zone.
- SMC 17.55.020 - Requirement for conditional use permit for roads, utilities, trails, and accessory parking for commercial, industrial, and residential uses in the OS-2 zone.
- SMC 17.20.040 - Height limits in the PCI zone.
- SMC 19.12.170.I. - Permitted uses and alterations in wetland buffers.

B. GENERAL INFORMATION

Property Owner:	Snoqualmie Mill Ventures, LLC
Applicant:	Snoqualmie Mill Ventures, LLC
Location:	Sections 29 and 30, Township 24, Range 8 East, W.M. in King County, Washington. The Snoqualmie Mill PCI Plan contains the following parcels (does not include Mill Pond/Borst Lake properties):

Table 2. Property Parcels included in the Project Site

Ownership	Tax Parcel No.	Size / Acres
Snoqualmie Mill Ventures, LLC	3024089004	38.70 Acres
	2924089009	136.47 Acres*
	3024089001	20.44 Acres
	3024089069	13.54 Acres
	3024089070	2.17 Acres
	2924089022	5.39 Acres
	2924089023	3.66 Acres
	2924089006	40.69 Acres
		SUBTOTAL: 261.06 Acres**

*Parcel No. 2924089009 contains approx. 15.7 acres in the City's UGA in unincorporated King County.
** Total area is from King County Assessor records. Actual surveyed site area totals 260.9 acres.

Zoning:	Planned Commercial Industrial (PCI), Open Space (OS-2)
Shoreline:	Floodplain Conservancy and Urban Conservancy
Existing Use:	Storage, office/classroom building, and commercial buildings; King County Landmark (tall brick stack); driving instruction school (Ultimate Rally LLC, d/b/a DirtFish Rally School); vehicle maintenance; equipment and parts storage; storage of wood recycling materials; production and storage of topsoil for local construction projects; beehive operation; temporary construction staging; and truck storage
Proposed Use:	Mixed-use commercial-industrial center with multi-family residential development
Site Size:	261.06 acres
Water Supply:	City of Snoqualmie
Sewage Disposal:	City of Snoqualmie Sewer

C. ANNEXATION HISTORY

The City and SMV entered into a Pre-Annexation Agreement in 2011. By Ordinance No. 1086 adopted on October 24, 2011, the City adopted pre-annexation zoning designations (Planned Commercial / Industrial, Planned Residential, and for the Mill site property). By adoption of Ordinance No. 1098, the property was annexed to the City in September, 2012, at which time the pre-annexation zoning designations became immediately effective. A Post Annexation Implementation Plan, required by the City's Comprehensive Plan, was approved by the City in 2016.

D. ENVIRONMENTAL CONSIDERATIONS

Draft and Final Environmental Impact Statements for the Snoqualmie Mill Site PCI Plan were issued on April 27, 2020, and December 9, 2021, respectively. This environmental review identified and analyzed probable, significant adverse environmental impacts of the proposed PCI Plan, and identified potential mitigation measures for those impacts. The EIS includes the following areas of analysis: Earth; Noise; Aesthetics/Light & Glare; Air Quality/Greenhouse Gases; Land & Shoreline Use; Parks & Recreation; Water Resources; Plans, Policies, & Regulations; Transportation; Plants & Animals; Population, Housing, & Employment; Public Services; Environmental Health; Historic & Cultural Resources; Utilities; and Fiscal/Economic Impacts.

The project site contains several areas designated as geologic "critical areas" under the Snoqualmie Municipal Code, including erosion, landslide, steep slope, seismic, channel migration, and flood hazard areas. The entire site is within the 100-year floodplain of the Snoqualmie River. The western portion contains both a channel migration zone and a portion of the floodway. The site also contains critical aquifer recharge areas and numerous wetlands.

The project site lies within the shoreline jurisdiction of the Snoqualmie River and Borst Lake. The shorelines are designated Urban Conservancy and Urban Floodplain Shoreline Environments in the City of Snoqualmie Shoreline Master Program.

The overall Snoqualmie Mill site is considered to be a "brownfield" site, with some contamination remaining after a century of industrial use and more than a decade of cleanup activities. The applicant plans to complete remediation of the Snoqualmie Mill site under the Washington State Model Toxics Control Act (MTCA) in conjunction with development. Planning Area 1 was historically used for log storage, not for industrial processes, and no contamination has been identified on that portion of the PCI Plan site.

E. PHYSICAL DESCRIPTION OF PROPOSAL AND SITE

The site is a large tract of land that was previously used as a lumber mill, and still contains multiple remaining mill structures. Vegetation is limited on most of the site. The site is currently used in part as an off-road driving instruction school by DirtFish Rally School, which uses paved and unpaved roads, primarily in the central portion of the site. Other business activities include the storage of wood recycling materials, production and storage of topsoil for local construction

projects, a beehive operation, temporary construction staging, and truck storage. An approximate 15-acre area in the northeastern portion of the site (Planning Area 2) remains within unincorporated King County; it contains a former boiler plant and undeveloped area.

The Proposal would redevelop the site in phases into a mixed-use commercial and industrial area with up to 160 residential units in mixed-use buildings. A Site Plan is presented in Exhibit B.

F. NEIGHBORHOOD CHARACTERISTICS

The project site is adjacent to the northwestern city limit of Snoqualmie, Washington, in the Planned Commercial/Industrial (PCI) zone. It is bounded by the city limits on the north, Borst Lake (Mill Pond) on the south, Mill Pond Road on the west, and the "hillside" area owned by King County along 396th Drive SE on the east. Other nearby features and uses include the Snoqualmie River to the west, and the City's wastewater treatment plant, a storage yard, and a gravel mining operation to the north (see Exhibit B, Vicinity Map). Snoqualmie Falls is approximately one-third of a mile to the northwest of the site, and downtown Snoqualmie is across the river to the southwest of the site.

G. APPLICABLE CITY STATUTES/CODES

Title 12 Streets, Sidewalks and Public Places (street design)

Title 17 Zoning (numerous sections)

Title 19 Environment (SEPA, Shorelines, and Critical Areas)

Future development of the site will also require water and sewer availability; grading, building, and other permits from the City; and applicable state and federal permits.

H. FINDINGS OF FACT

The following findings describe the permit procedures, the PCI Plan approval criteria, and the results of the SEPA EIS analysis. The SEPA EIS findings include or reference recommended conditions to be applied to the PCI Plan approval to facilitate compliance.

Permit Procedures

1. The applicant submitted the application for PCI Plan approval on March 22, 2017. The City determined the application complete on April 17, 2017.

2. A combined notice of application, determination of significance, and scoping notice was published in May 2017; a scoping meeting to receive comments on the scope of the EIS was held at City Hall that same month. The Notice of Application and Notice of Scoping for the project was published in the Snoqualmie Valley Record, posted in two places near the site, and mailed to owners within 500 feet of the property and agencies that typically receive SEPA notices, and posted on the City website, per the requirements of SMC 14.30.060.C. The scoping summary is attached as Exhibit E.

3. A Draft EIS was published on April 27, 2020. Notice of Draft EIS Availability was published in the same manner as the Notice of Scoping, plus it was published in the Seattle Times, mailed or emailed notice to parties (67 persons) who commented or expressed interest in the project, and mailed to all property owners within 1,250 feet. The wider notification was in recognition that the 500-foot mailing reached only five property owners, of which the City was one. The Community Development Director determined that, although providing notice to owners within 1,250 feet exceeded the requirements of the City code, the more extensive notice would better fulfill the intent of the code under the circumstances. With the agreement of applicant SMV, the initial 45-day comment period was extended until July 10, in response to requests for additional review time. A virtual public meeting was held on May 20, 2020 to receive verbal comments on the Draft EIS.

4. A Final EIS was published on December 17, 2021. Notice of Availability was published in the same manner as the Draft EIS, with the addition of any parties who had commented of the Draft EIS or expressed interest in the project. The Notice indicated that an appeal of the adequacy of the EIS could be filed through December 23, 2021.

5. An appeal of the adequacy of Final EIS was filed on December 22, 2021 by Snoqualmie Community Action Network.

6. The applicant submitted an updated application for a PCI Plan on March 18, 2022 (see Exhibit B).

7. A public hearing before the Hearing Examiner is scheduled to commence on Wednesday, March 30, 2022 at 4:00 p.m., and to continue during the week of April 4. As required by City Code and the Washington Department of Ecology's (Ecology) SEPA regulations, the Hearing will include both the open public meeting on the PCI Plan and a hearing on the appeal of the EIS.
8. In her Order Ruling on Prehearing Motions issued on March 9, 2022, the Hearing Examiner dismissed certain appeal issues and limited the scope of others, as set forth in the Order.

PCI Plan Approval

9. The project site is a 261-acre site suitably located for construction of a mixed-use commercial/industrial development. The project would convert a portion of the former Weyerhaeuser mill into a mixed-use commercial/industrial development. 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. The Proposal would protect and enhance critical areas on the site. In addition, portions of the project site are contaminated with hazardous materials from the historic use of the site as a lumber mill. The project will conform to all applicable requirements of state law (Model Toxics Control Act) to ensure these materials are safely abated, removed, or otherwise addressed.

10. The applicant seeks authorization for the PCI Plan, including deviations from certain Code requirements, and a development agreement for the project. The proposed development agreement will guide subsequent planning and development of the overall site according to a Master Plan. Applications for building permits and other required development approvals will be submitted following approval of the PCI Plan. All future site development, mitigation, and construction elements are subject to the applicable sections of the Snoqualmie Municipal Code and will be addressed through the applicable permit processes.

11. SMC 17.55.020 Table 1 lists the allowable, conditional, and prohibited uses for each zoning district in the City.

12. The Proposal lies primarily within the Planned Commercial/Industrial zoning district (PCI). Proposed uses in the PCI-zoned portions of the site include Light Industrial/Manufacturing, Warehouse, and Office uses, which are permitted uses, and Restaurants and Second Story Multi-Family Dwelling Units above Nonresidential Uses, which are listed as conditional uses in the PCI district. A portion of the site is within the Open Space 2 (OS-2) district. Uses proposes for this area include Open Space and Recreational uses and Commercial Parking, which are permitted uses in the OS-2 district.

13. PCI Plan approval is governed by SMC 17.20.050, which lists criteria that should guide the Hearing Examiner in making a decision on this PCI Plan application. The purpose of a planned commercial / industrial district is set forth in 17.20.050(A), and criteria applicable to a PCI Plan application are set forth in subsections (B) – (H) and (J) – (K), as follows:

    B. In the planned commercial/industrial district, no land shall be used, subdivided, cleared, graded or filled and no building or structure shall be constructed, altered or enlarged on a parcel of two acres or larger except under the authority of an approved plan pursuant to this section; provided, an approval under this section shall not be required for road and utility corridors, or for temporary uses and structures for which no grading, clearing or building permit is required. The approved plan shall authorize development on land which is not to be further divided and shall provide the basis and standards for processing of a binding site improvement plan or subdivision on land which is to be further divided for sale or lease of lots, parcels or pads.

    C. On parcels in the planned commercial/industrial district of less than two acres, permitted uses shall be as specified for the business-general (B-G) district.

D. In the event two or more contiguous parcels in common ownership lie in whole or part in both the district subject to the provisions of this section and the planned residential district subject to the requirements of Chapter 17.15 SMC, the owner may optionally elect to present one plan for all parcels, and the location of the residential and commercial/industrial uses thereon need not adhere strictly to the boundaries of each respective district so long as the minimum requirements for uses in each district respectively are met in the overall plan. Additional adjacent property with zoning designations other than PCI and PR [Planned Residential] may be included, provided they constitute no more than 15 percent of the total acreage of the proposal.

E. The planned/commercial industrial district allows and encourages a mix of uses, both vertically and horizontally, but does not require such a mixture.

F. Tracts included in a development proposal in a planned commercial/industrial district must be in one ownership or control or be the subject of a joint application by owners of all of the property included.

G. At least 35 percent of the total acreage for the development proposal must be dedicated to open space, natural areas, parks, or greens, commons or public assembly areas; provided, for projects subject to the provisions of subsection D of this section, the common open space may be provided within the area subject to the plan as a whole.

H. Proposed circulation, solid waste disposal and recycling, and water, sewer and stormwater management systems shall be designed in such a manner to allow adequate and efficient expansion to accommodate development which can reasonably be anticipated on adjacent or nearby lands.

I. The application shall include all of the materials required for a planned unit development pursuant to SMC 17.50.090(B), together with the following information, together with a list of all development standards of general applicability from which a deviation is proposed, and a statement of how such deviation will achieve the purpose set forth in subsection A of this section.

J. The notice, hearing and decision process for applications for approval of a plan for development in the planned commercial/industrial district shall be as set forth in Chapter 17.50 SMC, Planned Unit Development Regulations.

14. Deviations from several development standards are proposed with this PCI Plan, as allowed under SMC 17.20.050.I. Deviations may be approved when the City Council, with the advice of the Hearing Examiner, finds that such deviation would advance the purpose of the Planned Commercial / Industrial zoning district as set forth in SMC Section 17.20.050(A). The

applicant has included the deviations to development standards listed below, as part of the PCI Plan application:

- SMC Ch. 12.16 – Street design standards roadway layout and lighting;
- SMC 17.55.020 – Requirement for conditional use permit for second-story dwelling units above nonresidential uses in PCI zone;
- SMC 17.55.020 – Requirement for conditional use permit for restaurants in PCI zone;
- SMC 17.55.020 – Requirement for conditional use permit for retail restaurants, specifically tasting rooms in PCI zone;
- SMC 17.55.020 – Allowing uses in the OS-2 zone that are not specifically listed as permitted uses in the Code;
- SMC 17.55.040 – Height limits; and SMC 19.12.170.I – Permitted uses and alterations in wetland buffers.

15. Exhibit A lists the required elements of an application require in SMC 17.20.050.J, and indicates pages numbers where they can be found in the application materials for this project.

16. Deviations are a typical part of the approval process for large master-planned projects in the City of Snoqualmie. Deviations were incorporated as part of the Mixed Use Final Plan approvals for Snoqualmie Ridge I and Snoqualmie Ridge II, as well as for the Salish Lodge & Spa Expansion Planned Commercial/Industrial and Planned Residential Plan. See SMC 17.30.070I (allowing deviations as part of Mixed Used Final Plan); Resolution No. 420 (approving SR I MUFP at Condition 6); Resolution No. 427 (clarifying Conditions 3 and 6 of SR I MUFP); Resolution No. 712 (approving SR II Development Agreement at Ex. A, Att. B, Condition No. 2.4); Snoqualmie Ridge Development Standards Section 1.80 (Changes to Standards); SMC Section 17.15.050(G) and 17.20.050(I); and Resolution No. 1461, Ex. A (Findings of Fact, Conclusions of Law and Conditions, at Conclusions 10, 12, 14, 21 (approving deviation from height limit), 33, and 43).

17. This PCI Plan application has followed the notice, hearing, and decision process set forth in SMC 17.50.

<u>PCI Plan – Proposed Deviations from Development Standards</u>

Street Design Deviations (SMC 12.16) – Roadway Layout

18. The applicant has requested deviations from street design standards in SMC Ch. 12.16 – Street design standards for street layout. Specifically, the applicant requests approval of the conceptual road layouts for three roads in the PCI Plan, shown on sheet SP-3 of the plan set in Exhibit B. **Table 3** indicates the road section and the specific aspects of the road section that deviate from the standard.

Table 3. Requested Deviations from Road Standards

Roadway and Classification	Cross Section	Proposed Deviation	Required Standard to Meet Code
Mill Pond Road – Neighborhood Collector	Section A-A	Roundabout intersection with Mill Street entrance to project (results in wider road right-of-way, but maintains lane widths)	Neighborhood Collector T-intersection with Mill Street entrance to project
Mill Pond Road – Neighborhood Collector	Section B-B	7-foot-wide sidewalk and 7-foot-wide planter strip on one (east) side only, south of roundabout	7-foot-wide sidewalk and 7-foot wide planter strip both sides
Mill Street – Local Access	Section C-C	• 8-foot- and 12-foot-wide sidewalks both sides • No planter strips • Angle Parking both sides with 62 feet of paving width to accommodate 2 travel lanes (11 feet each) and 20 feet each side for angle parking	• 6-foot-wide sidewalk and 5-foot wide planter strip both sides • Parallel Parking one side • Minimum 28 feet of pavement width
Mill Street – Local Access	Section D-D	• 12-foot- and 20-foot-wide sidewalks both sides • No planter strips • Angle Parking both sides with 62 feet of pavement width to accommodate 2 travel lanes (11 feet each) and 20 feet each side for angle parking	• 6-foot wide sidewalk and 5-foot wide planter strip both sides • Parallel Parking one side • Minimum 28 feet of pavement width

19. City Code (SMC 12.16.230) recognizes that deviations from street design standards may be necessary on projects that have special or limiting requirements, and emphasizes that each project will be considered on an individual basis.

20. Mill Pond Road in its current configuration is within the shoreline environment and channel migration zone of the Snoqualmie River. Based on geotechnical analysis and investigation, geotechnical soil instabilities exist in the fill and subsurface soils on which the existing road prism was constructed. The proposed realignment of Mill Pond Road, as shown on PCI Plan Application Plan Sheet SP-3 (Exhibit B), shifts a portion of Mill Pond Road to the east away from the Snoqualmie River and aligns a roundabout intersection with the proposed project entrance, known as Mill Street, in Planning Area 1.

21. Realigning and constructing a new portion of Mill Pond Road as proposed requires that portion of the roadway to be brought to current standards for a Neighborhood Collector. The proposed alignment meets those standards, with the exception of the proposed roundabout at Mill Street.

22. The roundabout would provide the gateway entrance into the Mill Street village retail and commercial area. The roundabout would also provide better traffic circulation than would otherwise be provided by a standard T-Intersection otherwise called for by the Neighborhood Collector standards.

23. By realigning the Mill Pond Road, additional area next to the Snoqualmie River is proposed to be restored through removal of the retired portion of the road and replanting to establish forest vegetation. Allowing the deviation for sidewalk and planter strip, by omitting sidewalk and planter strip on the west side and providing sidewalk and planter strip on the east side of Mill Pond Road only, south of the proposed roundabout, would reduce the overall impervious surface footprint of Mill Pond Road, and contribute to enhancing the shoreline environment. Because there is no development between the river and the road and there would be a marked crosswalk north of the roundabout to allow pedestrians to cross from the east side of Mill Pond Road to reach the other (west) side of the road, the absence of this section of sidewalk would not adversely affect safety.

24. The deviation to street design standards proposed for Mill Street includes wider sidewalks and pedestrian walkways. No planting strips are proposed, which allows for wider walking area. A wider road cross-section is proposed to allow angled parking.

25. The wider sidewalks and angled parking on both sides of Mill Street would facilitate vehicle access and pedestrian circulation within the mixed-use retail and residential area. During heavy use periods standard 6-foot sidewalks would likely be inadequate. Angled parking is appropriate for a street that encourages slower speeds for vehicles and prioritizes pedestrian use of the right-of-way. The integration of these design concepts contributes to the ‘sense of place’ focused on the proposed tasting rooms/wine stores and outdoor equipment sales and promotes accessibility to the pedestrian-oriented village center for visitors, residents, and employees.

26. Street trees and landscaping elements are proposed provided intermittently along the sidewalks along Mill Street. A condition is recommended to include tree type and spacing in the design guidelines.

27. For the reasons identified in Findings of Fact #19 through#26 above, the proposed deviations from street standards will achieve the purpose of the Planned Commercial / Industrial district because the deviations further an overall street design plan that provides for imaginative, well-designed, master-planned commercial/industrial development containing compatible and complementary uses while also minimizing environmental impacts. The deviation will also optimize the efficient use of land, and promote safe pedestrian circulation. In addition,

for the same reasons, the proposed deviation from roadway layout street standards would not adversely affect the public health, safety, or the environment.

Street Design Deviations (SMC 12.16) – Street Lighting

28. The applicant has requested deviations from street design standards in SMC Ch. 12.16 - Street design standards for street lighting. Although lighting requirements are not listed in the Code, the City utilizes the Snoqualmie Ridge II Development Standards ("SRIIDS") for street lighting. The applicant requests that a deviation to the SRIIDS be granted to allow for the development of a lighting plan concept/strategy specific to the Snoqualmie Mill PCI Plan. The lighting plan has not yet been developed, but will be included as part of the design guidelines for the project. As proposed, all lighting would comply with the performance standards for all development to prevent glare impacts on adjacent property. The proposed deviation from street design lighting standards, to allow for Mill site-specific lighting standards that incorporate "Dark Sky" standards, will achieve the purpose of the Planned Commercial / Industrial district, to provide for imaginative, well-designed, master-planned commercial/industrial development containing compatible and complementary uses.

Allowed Use Deviations (SMC 17.55.020) – Second-story dwelling units

29. The applicant has requested a deviation from the requirement in SMC 17.55.020 that a conditional use permit is required for second-story dwelling units above nonresidential uses in the PCI zone. The deviation requested would be limited to the Proposal for up to 160 apartment units in the upper stories of mixed-use buildings in Planning Area 1. These units would be developed in accordance with the design guidelines for the project, which will be finalized after the PCI Plan is approved. The requested deviation would allow that the proposed residential uses would not be subject to a separate conditional use permitting process, but would not change any other requirements for residential development.

30. The purpose of a conditional use permit for residences in the PCI district is to provide a review and approval process by which the City can examine whether there would be any incompatibility between the residences and the commercial and industrial uses, in a zone where commercial and industrial are the most common types of uses, and to mitigate impacts (if any) arising from any incompatibility.

31. The EIS for the project and the PCI Plan review process have provided the City with an opportunity to thoroughly examine and mitigate potential incompatibility between proposed residential uses and other commercial or industrial uses, equivalent or greater to a conditional use permit process under SMC 17.55.030. And, although design information about specific buildings has not yet been provided, the EIS determined that air quality and noise impacts from adjacent commercial and industrial activity would not adversely affect the proposed residential uses.

32. The performance standards in SMC 17.55.080 require that off-site uses be protected from impacts from a project, including from dust, odors, vibration, heat, noise, and other impacts potentially associated with light industrial/manufacturing activities. However, because the residential uses proposed in Planning Area 1 would not be on separate properties from the commercial and industrial uses, these Code provisions would not apply to the proposed PCI Plan residential uses.

33. The intent of the project is to create a mixed-use development where all uses are compatible, and the applicant has proposed that design guidelines for the project would be developed to ensure compatibility. As such, the proposed deviation to allow as permitted outright the second-story residential uses above commercial is consistent with the purpose of the Planned Commercial / Industrial district; it optimizes efficient use of land, while maintaining small-town character in an imaginative, well-designed, master-planned commercial/industrial development.

Allowed Use Deviations (SMC 17.55.020) –Restaurants and tasting rooms

34. The applicant has requested a deviation from the requirement in SMC 17.55.020 that a conditional use permit be required for restaurants in the PCI zone, whether as stand-alone restaurants or as combined restaurant / tasting rooms associated with wine-making operations. The deviation requested applies to any restaurants in the project. Any restaurants would be developed in accordance with the design guidelines for the project, which have not been finalized but would be after the PCI Plan is approved. The requested deviation would allow that any proposed restaurant uses, including tasting rooms, would not be subject to the permitting process required for conditional uses, but would not change any other requirements for restaurant development.

35. As provided in SMC 17.55.030, the purpose of a conditional use permit for restaurants in the PCI district is that it provides the City a review and approval process by which to examine whether there would be any incompatibility between the restaurants and other commercial or industrial uses, in a zone where commercial and industrial are the most common types of uses, and to mitigate any impacts from potential incompatibility.

36. The EIS for the project and the PCI Plan review process have provided the City with an opportunity to thoroughly examine and mitigate potential incompatibility between proposed restaurants and other commercial or industrial uses, equivalent or greater to a conditional use permit process under SMC 17.55.030.

37. With the condition recommended above to include provisions protecting residential uses on the site, restaurants would not adversely affect any uses within the project. By facilitating compatible restaurant and tasting room development, the proposed deviation would be consistent with the purpose of the PCI district, optimizing efficient use of land with a mix of uses in a well-designed master planned development.

Allowed Use Deviations (SMC 17.55.020) – Allowing uses not specifically listed in the Code

38. SMC 17.55.020 Table 1 indicates that only a very limited range of uses are allowed in the OS-2 zone, and those that are allowed are uses generally associated with open space and therefore unlikely to adversely affect other uses in that zone. Only three types of uses are permitted outright: Parks and Open Space, Community Gardens, and Commercial/Municipal Parking.

39. The proposed stormwater outlet is not a public utility but is more similar to that use than any other use in SMC 17.55.020 Table 1. As such, absent a deviation the stormwater outlet could be considered a public utility use otherwise subject to the requirement for a conditional use permit.

40. As provided in SMC 17.55.030, the purpose of a conditional use permit process for non-open space or park uses in the PCI district is to provide the City a review and approval process by which to examine whether the proposed use would adversely affect other uses in the zone, where the predominant uses are parks and open space.

41. The EIS for the project and the PCI Plan review process have provided the City with an opportunity to thoroughly examine and mitigate potential impacts of the aspects of the PCI Plan that would affect the OS-2 zone, equivalent or greater to a conditional use permit process under SMC 17.55.030.

42. The EIS identifies potential mitigation measures that would mitigate impacts from the stormwater outfall. These include measures to prevent erosion, protect water resources, and ensure the proper design of utility systems, which are listed in the recommended conditions of approval; in particular, see Conditions #11, #13, #19, #43, and #45 in Section J (Staff Recommendation). By facilitating the road relocation and stormwater outfall, the proposed deviation would be consistent with the purpose of the PCI district, optimizing efficient use of land and the opportunity for public open space and trails in a well-designed master planned development.

43. The applicant initially requested deviations for other uses in the OS-2 zone. Trails and commercial parking were determined by the Acting Community Development Director to be permitted uses and did not require the deviation sought. The roadway would be relocated and new right-of-way dedicated. Public roads are not regulated by Title 17; therefore, a deviation is not required.

Height Limit Deviations (SMC 17.55.040) – Increased height limits

44. The applicant has requested a deviation from the requirement in SMC 17.55.040 – building height limits for buildings in the PCI zone. The height limit in the PCI district is 40 feet.

45. The Proposal is to construct buildings abutting Mill Street in Planning Area 1 with gabled roofs that would be similar in architectural form and height to the Planer building, which is one of the buildings from the former Snoqualmie Mill that remains on the site. The three Mixed-Use/Residential buildings abutting Mill Street would be limited to a maximum height of 70 feet to the ridgeline of the roof and 55 feet to the eave line. All other buildings abutting Mill Street could be built to a maximum of 55 feet to the ridgeline and 35 feet to the eave line. Other buildings in Planning Area 1, and any new buildings in Planning Areas 2 and 3 could have flat or shed type roofs and would be limited to 55 feet maximum height including parapets or other rooftop appurtenances. All heights are measured from average finished grade, as is standard practice under SMC Title 17.

46. The purposes of the deviation are to accommodate the needs of a variety of potential industrial and manufacturing users, to allow flexibility in the design of the mixed-use buildings, and to support proposed residential density by allowing more upper-story space for residential uses, which assists in achieving one of the stated purposes of the PCI district (residential stories over commercial). The proposed deviation sought is consistent with the range of height maximums approved for the Salish Expansion hotel in the Salish PCI / PR plan (75-foot height limitation approved in Amended and Restated Development Agreement, proposed 60-foot height maximum approved in PCI Plan height deviation).

47. Section 2.3.2 of the Final EIS includes a description of the mixed-use buildings in Planning Area 1 as "up to five stories in height (60 feet measured to the mid-point of the roof, 70 feet to the peak), of wood frame construction over a concrete podium." The view simulations, which were developed for the Draft EIS were constructed using these height assumptions, show that the impacts on visual character of the surrounding area and on scenic viewpoints would be minimal and did not find any significant adverse impacts. Because the site is relatively isolated, development on it would be minimally visible from some viewpoints and not visible from others, provided the proposed perimeter plantings are installed.

48. The proposed deviation from the PCI district maximum height achieves the purposes of the PCI district. Allowing the approximately 55-foot height facilitates a mixed-use project with residential stories above commercial, optimizes the efficiency of the use of land, keeps the buildings at scale which serves to maintain existing small-town character, and optimizes the opportunity for public amenities provided by the project in the form of open space and trails.

Wetland Buffer Deviations (SMC 19.12.170.I) – Permitted uses and alterations in wetland buffers

49. The applicant has requested a deviation from requirements in SMC 19.12.170.I, which regulates uses and alterations in wetland buffers. Specifically, the applicant requests a deviation from minimum buffer dimensions and maximum buffer reduction dimensions for buffer averaging as defined in SMC 19.12.170.I. - Table 19.12.170-1. Wetland Buffers. The

deviation would apply to the buffers for Wetland 12 and Wetland 28, both of which are in Planning Area 1.

50. The requested deviation would authorize the wetland buffer reductions, restoration, and enhancement as generally described and depicted in the Snoqualmie Mill PCI Plan Final EIS and March 2022 application materials, including the plans (Exhibit B). The deviation is sought to provide flexibility in site design while still providing adequate buffers for all wetlands.

51. The standard buffer for Wetland 12 and for Wetland 28 is 165 feet. SMC 19.12.090(B)(3) would allow this to be reduced by 25% for a drainage facility, provided that:

> *…wetland functions will be preserved or enhanced, that stormwater discharges meet the requirements in Chapter 15.18 SMC, that stormwater discharges to the wetland's outer buffer will not negatively affect the hydroperiod of the wetland except as allowed by SMC 15.18.180, and that there will be no adverse impacts to the water quality of the wetland;…*

52. The deviation is requested because the minimum buffer width allowed by the Code with buffer averaging is 123.75 feet (25% reduction), and the proposal is to allow a buffer as narrow as 16.4 feet on Wetland 12 and 85.8 feet on Wetland 28. The narrowed buffer widths result from the project's utilization of a constructed stormwater wetland within what would otherwise be wetland buffers. Both of these buffer reductions would be in Planning Area 1.

53. Although the minimum width would be narrower that typically allowed, the project would provide wetland buffers in Planning Area 1 that average approximately 175 feet wide overall.

54. Existing buffers for all wetlands within Planning Area 1 are degraded at varying levels, and it is unlikely that the existing on-site wetland buffers within Planning Area 1 or the existing off-site buffer for the right bank of the Snoqualmie River in the vicinity of the proposed road re-alignment provide more than a range of de minimis to low levels of protection of water quality or habitat functions to on-site wetlands or the Snoqualmie River.

55. Wetland 12 is a ditched wetland system with limited habitat functions, bordered along much of its length by the existing haul road that will remain.

56. The majority of the wetland buffer proposed for Wetland 12 would be reduced in width on average by approximately 36%, averaging 105 feet in width. The maximum reduction would be 90% of the standard buffer (buffer width 16.4 feet) in a location where the buffer would separate the wetland from a proposed stormwater wetland facility located east of Lot 4 in the northeast portion of Planning Area 1. See Draft EIS Exhibit 3.4-9. Although the stormwater wetland would be an open space use, SMC 19.12.170.I does not allow such facilities in wetland buffers.

57. Compensatory buffer for proposed buffer loss would be provided as a large block of habitat contiguous to the southern portion of Wetland 12 to provide a habitat linkage with Wetland 28 and to link large habitat areas associated with Borst Lake and the Snoqualmie River. The proposed habitat linkage with the Wetland 12 buffer would not be provided by applying the standard 165-foot wetland buffer width.

58. The northern portion of the buffer for Wetland 28 would be reduced, allowing for the southern edge of the parking area in Planning Area 1. The maximum reduction would be approximately 48% of the standard buffer (buffer width 85.8 feet). See Draft EIS Exhibit 3.4-9. As noted for Wetland 12, compensatory buffer for proposed buffer loss would be provided as a large block of habitat linking Wetland 28 with other wetlands within Planning Area 1, Borst Lake, and the Snoqualmie River.

59. The project would provide buffers that average approximately 175 feet in width for all wetlands within Planning Area 1. According to the Wetlands, Wildlife, and Fisheries Assessment (Appendix C of the Draft EIS), the project would result in a substantial improvement of buffer functions and protection of wetland resources.

60. The deviation from wetland buffer standards would achieve the purposes of the PCI district, because the deviations optimize efficient use of land and opportunities for public amenities such as wetland and wetland buffer restoration, open space, trails, and appropriate stormwater management.

State Environmental Policy Act Review

61. The EIS prepared for the project identified impacts and mitigation measures expected from the project. The following findings briefly discuss each element reviewed in the EIS, and recommend appropriate mitigation measures. Some mitigation measures are identified as part of the project, some would be required for permits, and others are discretionary. All are discussed in the Draft and Final EIS in greater detail. All mitigation measures listed in this Staff Report are recommended as conditions of PCI Plan approval.

62. There was one change to the PCI Plan Proposal description between the Draft EIS and the Final EIS. The maximum height for three mixed-use buildings along Mill Street was changed from 55 feet to 70 feet at the ridgeline. However, this was an error only in the Draft EIS project description; the Aesthetics analysis in the Draft EIS addressed the 70-foot heights, including in the view simulations.

Earth

63. A portion of the site along the southwestern edges of Planning Area 1 and within Planning Area 3 lies within the zone where the river could change course, known as a Channel Migration Zone (CMZ), designated in City Code as a Moderate CMZ on adopted City maps. The proposed relocation of a portion of Mill Pond Road and drainage discharge improvements, both of which are in Planning Area 1, are the only aspects of the project that

would occur within the CMZ. Utilities and transportation facilities are allowed within the Moderate CMZ when no other feasible alternative exists. Mill Pond Road already exists within the CMZ, and the proposed relocation would move the road farther away from the Snoqualmie River. Alternative access, e.g., from the existing privately owned haul road, is not feasible because the road is not public and because such access would result in wetland impacts (Wetland 12; see Findings of Fact #87 below). The proposed drainage discharge is a discharge to the Snoqualmie River, so the discharge must be located within the CMZ in order to accomplish its purpose. Construction of both the Mill Pond Road relocation and drainage discharge provide the opportunity for enhancement of the existing, degraded river buffer in the vicinity of the project site.

64. Removal of the soil storage pile as part of future development of Planning Area 3 would remove a potential steep slope hazard.

65. Development on the project site would be subject to the following codes and regulations, which provide mitigation for the identified impacts:

- The 2015 International Building Code (IBC), as adopted by the City of Snoqualmie in Chapter 15.04A.010 of the Snoqualmie Municipal Code.
- The City of Snoqualmie Critical Areas regulations as established in Chapter 19.12.100 (erosion hazards), Chapter 19.12.110 (landslide hazards), 19.12.120 (steep slope hazards), Chapter 19.12.130 (seismic hazards), and Chapter 19.12.140 (channel migration zones) of the Snoqualmie Municipal Code.

66. These regulations would prevent any significant impacts. Based on recommendations by the geotechnical engineer that informed the analysis in the EIS, several conditions are recommended to ensure that all earth-related impacts are addressed during design, permitting, and construction. These are included as recommended conditions. See Conditions #12 through #15 in Section J (Staff Recommendation).

Air Quality and Greenhouse Gases (GHG)

67. The EIS evaluated impacts on air quality during construction and operation of the project. Construction contractors would be required to comply with air quality and dust control regulations; with such controls in place, these activities would not significantly affect air quality in the project vicinity. Requiring the use of best practices during construction would further ensure that the project would not have off-site impacts. A condition is recommended to incorporate a list of best practices in the requirements for contractors. See Condition #16 in Section J (Staff Recommendation).

68. Construction equipment and material hauling could affect traffic flow in the vicinity of the project site, especially if construction vehicles travel during peak periods or other heavy-traffic hours of the day and pass through congested areas. Although there could be short-term periods with increased congestion and increased vehicle emissions, such events would likely

be the exception rather than the rule, and significant adverse impacts on air quality are unlikely.

69. Modeling results for air quality related to traffic indicate that carbon monoxide (CO) concentrations near the most congested intersection in the project study area would be far less than the 35 parts per million (ppm) 1-hour and 9 ppm 8-hour health-based ambient air quality standards. Future traffic volumes and delays would increase over existing conditions, but future CO concentrations are assumed to decline due to the adoption of newer, more efficient vehicles and cleaner fuel regulations. Modeled CO concentrations for the proposed PCI Plan in 2023 and 2032 are the same or a maximum of 0.1 ppm higher than the No Action Alternative, indicating that the Proposal would not cause or contribute to any significant traffic-related air quality impacts. Air emissions associated with the production, storage, transport, and sale of wine or similar products are expected to be minimal. One or more emergency generators may be required to ensure safe and consistent operation of the project. Emissions associated with emergency generators result from the combustion of fossil fuels and would occur during temporary emergency use or routine testing of the generators.

70. In addition to the "criteria" air pollutants like CO, there are a variety of other potentially hazardous air pollutants for which health-based ambient air quality standards have not been established, including mobile source air toxics (MSATs). MSATs are emitted by on-road and off-road vehicles with internal combustion engines burning biofuels, diesel, or gasoline. The traffic impact analysis indicates that a total of 13,504 daily passenger and truck trips would result due to the Proposal, which is far below the 140,000–150,000 annual average daily traffic (AADT) threshold that the Federal Highway Administration (FHWA) indicates may result in a higher potential for MSAT effects.

71. The EIS estimates that the project would produce about 2,071,972 metric tons (tonnes) of carbon dioxide (CO2) equivalent (MTCO2e) over the lifespan of the structures, assuming typical structures under current building and energy codes. Annually, this corresponds to about 32,490 tonnes. The project’s annual GHG emissions represent approximately 0.03% of estimated annual 2013 GHG emissions within Washington. “Green” building technologies can further reduce this small effect.

72. As part of the proposed PCI Plan, the applicant indicated that the design guidelines will establish a goal of Leadership in Energy and Environmental Design (LEED) Gold or Platinum certification to achieve energy efficiency (to be included in the design guidelines).

73. A condition is recommended that the project include in its design guidelines a commitment to green building technologies that achieve a minimum of LEED Gold certification, and that building permit applications for individual buildings be accompanied with documentation that the specific building has applied for such certification. See Condition #17 in Section J (Staff Recommendation).

Water Resources

74. The EIS evaluated multiple topics relating to water resources: surface water, groundwater, stormwater, water quality, and flooding. The analysis was based on hydraulic and hydrologic modeling of the Snoqualmie River and on-site wetlands (drainage patterns and hydrology).

75. Development of the PCI Plan in Planning Area 1 would increase the effective impervious area on the site by 5.13 acres and reduce coverage of pervious surfaces by 22.84 acres, including wooded areas. As a result, post-construction site conditions would generate a greater amount of surface water runoff than existing conditions. The on-site wetland system serves as a natural drainage conveyance system to the Snoqualmie River and Borst Lake, so these wetlands would experience increased daily and monthly flows after development.

76. Development has the potential to change the amount of surface water and groundwater recharge. Clearing vegetation and replacing it with suburban landscaping (such as lawns) reduces evapotranspiration, increasing the amount of water available for groundwater recharge and runoff. Depending on how stormwater is managed, the increase in groundwater recharge may be counteracted by an increase in impervious surfaces (building and pavement areas), and other factors.

77. Critical aquifer recharge areas (CARAs) that underlie the Snoqualmie Mill site are concentrated in the western and northern portions of the site, with some moderate-susceptibility areas in the southwestern corner of the site near Borst Lake. As a result, the groundwater impacts described above would have a lower potential to occur in Planning Areas 2 and 3 than in Planning Area 1.

78. Basic stormwater treatment is required for any runoff that discharges directly to the Snoqualmie River. Development runoff from impervious surfaces that drain to any on-site or off-site wetlands or streams before discharging to the Snoqualmie River would be provided with enhanced treatment.

79. Potential water quality impacts from treated stormwater discharged into the Snoqualmie River would be predominately related to warmer temperatures of stormwater runoff from developed surfaces compared with river temperatures. Given the relatively small volume of runoff compared with flow volumes in the river, changes in water temperatures within the river are not expected to adversely affect aquatic life. With respect to other water quality impacts, proposed on-site treatment will reduce stormwater pollutants to levels that are not expected to impact local conditions in the Snoqualmie River or fish habitat conditions therein.

80. Development of the PCI Plan would entail filling portions of the site within the floodplain; compensatory flood storage would be excavated elsewhere on site to ensure no net rise in

base flood elevation. Development of the PCI Plan would result in a net increase in available flood storage capacity on the site of 14.7 acre-feet. This would be accomplished by:

- Lowering grades of existing berms for the construction of the relocated Mill Pond Road.
- Significantly lowering grades of existing berms along the north margin of Planning Area 1.
- Constructing stormwater wetlands for stormwater treatment.

81. Incorporated features of the Proposal that would limit impacts on water resources associated with development include the following:

- Maintaining relatively low density of impervious surface coverage for the site (approximately 59% open space, if landscaped open space is excluded) and create the ability to promote groundwater recharge.
- Utilizing stormwater wetlands for water quality treatment and dispersion, where feasible, to promote wildlife habitat and groundwater recharge.
- Maintaining hydrology to surface water-dependent wetlands consistent with the 2016 King County Surface Water Design Manual (KCSWDM) Guide Sheet 3B.
- Providing compensatory flood storage in excess of existing flood storage across the site to ensure a zero-rise impact on 100-year flood elevations.
- Creating a stormwater and flood flow outfall to the Snoqualmie River to promote a flow path of receding floodwaters back to the river to reduce potential damage to property or roadways in future flood conditions.

82. Implementation of the PCI Plan would be designed to be consistent with the following regulatory frameworks:

- Appendix I of the Western Washington Phase II Municipal Stormwater Permit.
- Appendix I-E of the 2012/2014 Stormwater Manual for Western Washington.
- The City of Snoqualmie Addendum to the 2016 KCSWDM, the 2016 KCSWDM, and City of Snoqualmie Flood Hazard Regulations (SMC 15.12).
- Snoqualmie Municipal Code Chapter 19.12.200, which regulates uses within CARAs that have the potential to result in groundwater contamination.

83. With the measures incorporated into the project and compliance with the regulations listed, no significant adverse impacts are expected on water resources. Conditions are recommended to ensure that all phases of the development minimize impacts on water resources. See Conditions #18 and #19 in Section J (Staff Recommendation).

Plants and Animals

84. The EIS evaluates impacts on plants and animals, specifically on wetlands, streams, and fish and wildlife, including wildlife habitat. It documents current conditions on the site and

potential adverse and beneficial effects of the project on the functions and values of each of these critical areas.

85. The existing buffers for wetlands and for the Snoqualmie River within Planning Area 1 provide a low level of protection of wetland and stream functions due to poorly developed or absent vegetative cover, the presence of non-native invasive species, and gravel and paved roads or other impervious surfaces consisting of compact gravel fill. Areas where young forest occurs have an understory that is sparsely vegetated or dominated by non-native, invasive Himalayan blackberry.

86. The project incorporates numerous planning and design features that would avoid, minimize, or otherwise mitigate most potential impacts. The project would also enhance, restore, and augment the currently degraded buffers.

87. The project would avoid direct impacts on all wetlands and jurisdictional watercourses within Planning Area 1. To avoid direct wetland impacts on Wetland 12 which abouts the haul road, primary access from Mill Pond Road to Planning Area 1 would be via a new "Mill Street." The Mill Street entrance would be an expansion of an existing entrance into Planning Area 1, and avoids the need widen the haul road, which would be necessary if it was used as the primary entrance.

88. All wetlands and streams within Planning Area 1 would be retained and provided with buffers that provide substantially greater protection than under current conditions. A detailed mitigation and monitoring plan for impacts on critical area buffers will be prepared based on the conceptual mitigation approach outlined in the PCI Plan. Impacted wetland and stream buffers will be enhanced pursuant to the plan and result in an overall increase in wetland buffer area, both for Planning Area 1 and for the site as a whole.

89. Areas targeted for development within Planning Areas 2 and 3 focus on portions of the site that have been previously developed or disturbed and currently consist of buildings, fill material, pavement, or gravel surface. Wetlands and buffers would be retained as open space areas.

90. The project incorporates several design features and other measures to protect wetlands and jurisdictional watercourses and fish and wildlife habitat both during and after construction. These include:

- The limits of wetland and stream buffer areas will be clearly marked on construction plans and on-site to prevent unauthorized damage to critical areas during construction.
- Construction limits, including staging areas, will be clearly marked in the field prior to beginning construction activities.
- To the extent feasible, construction staging areas will be located outside of wetland and stream buffers to minimize impacts on vegetation.

- A permanent stormwater management system will be designed and installed according to the Master Drainage Plan for the site prepared by Goldsmith Land Development Services (2020), which is based on the standards of the 2016 KCSWDM, which is equivalent to the 2012/2014 *Department of Ecology Stormwater Manual for Western Washington* (Ecology Manual).
- During construction, stormwater runoff will be treated according to a City of Snoqualmie-approved Stormwater Pollution Prevention Plan (SWPPP) for the project, which will meet standards of the 2016 KCSWDM, prior to discharge into on-site streams or wetlands.
- Appropriate best management practices (BMPs) and temporary erosion and sediment control (TESC) measures will be implemented in accordance with the approved SWPPP, including specific measures to prevent and control spills of pollutants, and to handle, control, and store potential contaminants.
- Wetland and stream buffer areas temporarily disturbed for construction access and staging will be revegetated with a mixture of native plant species following the completion of construction activities.
- Containment tarps or netting will be used when working over water to retain fallen materials.
- Covenants, guidelines, and educational materials will be established to prevent the introduction of noxious weeds or invasive species into landscaped areas, both common areas and individual lots.

91. Under the PCI Plan, even with the deviations requested, all the wetlands and streams within Planning Area 1 would be retained. Much of the existing wetland buffer areas are non-functional and degraded, and would be replaced with native forest buffers through buffer restoration and enhancement in exchange for focused buffer intrusions, consistent with requirements of SMC 19.12.170 H.2 and SMC 19.12.170 H.6.

92. City of Snoqualmie critical area regulations (SMC 19.12) require compensatory mitigation for any proposed wetland loss or alteration of buffers. Direct wetland impacts would be avoided under the Proposal, but buffers for on-site wetlands and the Snoqualmie River would be impacted. A mitigation plan for impacts on critical areas is an element of the proposed PCI Plan, as required by City regulations (SMC 19.12.090.F). The general approach to buffer mitigation is described further below and is focused on Planning Area 1 at this time; a specific plan would be submitted at the time of building permit application. The plan would be updated to address Planning Areas 2 and 3 in the future, as those areas are planned in greater detail.

93. All existing impervious surface areas, including paved and gravel roadways and areas of compact gravel fill within the wetland buffers, will be removed and replaced with a minimum of 12 inches of topsoil amended with compost prior to re-planting. These areas include portions of the buffer for Wetlands 12, 28, and 29, as well as in the location where a portion of Mill Pond Road will be retired along the Snoqualmie River (see Exhibit 3.4-9 and Exhibit 3.4-11 in the Draft EIS).

94. Site grading to provide compensatory flood storage will necessitate the removal of a steeply sided berm on which forested buffer for Wetland 12 is present along the north perimeter of Planning Area 1. Grading of this area will result in shallower slopes that are more uniform and conducive to dispersion of runoff within the proposed 105-foot average buffer width provided to Wetland 12. Grading to remove old fill within other portions of the buffers for Wetlands 12, 28, and 29 may be necessary to provide additional compensatory flood storage or for site development. Any of these areas considered as mitigation for buffer impacts also will receive a minimum of 12 inches of topsoil amended with compost following the removal of old fill.

95. Following site grading and installation of topsoil/compost mix, the entirety of the wetland buffers within Planning Area 1 would be restored or enhanced with a mix of native trees, shrubs, and herbaceous vegetation common to the Snoqualmie Valley. In total, approximately 19.5 acres of buffers for wetlands and the Snoqualmie River will be restored or enhanced. Areas that have been graded and are bare of vegetation will be planted at densities that are typical for buffer restoration (9 feet on-center for trees and 6 feet on-center for shrubs and herbaceous species). Areas that retain some cover by young trees will be planted with supplemental coniferous trees, as needed, to create a closed forest canopy. Non-native, invasive species within the existing, treed portions of the wetland buffers will be removed, and supplemental shrub and herbaceous understory species will be planted.

96. Conversion of degraded buffers to a forested condition with a high density and diversity of species and structure would substantially improve water quality and habitat values. The enhanced and restored wetland buffers will be designed to be a low-maintenance, self-sustaining community resembling native forest habitats typical of the Puget Sound lowlands.

97. Impact minimization measures implemented to protect wetland and stream resources will also serve to protect fish and wildlife resources. Compensatory mitigation of proposed wetland buffer impacts will be provided in accordance with City of Snoqualmie requirements. Buffer areas within Planning Area 1 to be cleared and graded to provide compensatory flood storage will be revegetated with native forest plantings.

98. The provision of a bottomless culvert under the realigned portion of SE Mill Pond Road to allow for passage of floodwaters may also provide an avenue of movement for small mammals, carnivores, and amphibians between the project site and habitats associated with the Snoqualmie River.

99. In addition to the wetland and stream buffer mitigation described above, compensation for the anticipated loss of forest vegetation within the regulatory floodplain will be provided by the installation of native trees within appropriate areas of the floodway upon completion of grading to provide compensatory flood storage along with development of each planning area. In the future, together with the retained wetlands and buffers, the enhanced and restored areas will form a large open space corridor within the central part of the project site.

Compensatory plantings will be provided on at least a 1:1 basis. Detailed mitigation plans, as required by the City of Snoqualmie (SMC 19.12), will be developed for review and approval prior to the issuance of building permits for each planning area.

100. Proposed project development will be consistent with City of Snoqualmie development guidelines for construction within the floodplain, including Ch. 15.12 (Flood Hazard Regulations) and Ch. 19.12 (Critical Areas). The site will be graded to result in no net rise in the base flood elevation, with new distributions of sub-basins draining stormwater to the Snoqualmie River and to Borst Lake, and new distributions of impervious areas.

101. No listed salmonid species exist in the Snoqualmie River adjacent to the site because it is above Snoqualmie Falls, so potential impacts, if any, on the floodplain from the project on listed salmonids would only occur as a result of the transmission of any effects downstream to below the Falls; however, these will be minimized or otherwise mitigated by design measures and compensatory habitat enhancement.

102. A Federal Emergency Management Agency (FEMA) Floodplain Habitat Assessment will be submitted as part of implementing permit approvals through the City for all phases, particularly Phases 2 and 3, which do not yet have the specific plans for stormwater and buffer enhancements that have been prepared for Planning Area 1. Such specific plans will be required in future detailed planning for Planning Areas 2 and 3.

103. The City is following a course of phased environmental review for the Snoqualmie Mill PCI Plan; wildlife concerns are expected to be re-evaluated and specified in greater detail when planning for Planning Areas 2 and 3 is more advanced and when impacts and mitigation measures can be identified with greater accuracy. As noted in Section 6.4 of Draft EIS Appendix C, more specific enhancement plans for the central corridor would be developed for review, along with development plans and environmental analyses for Planning Areas 2 and 3.

104. A condition is recommended to ensure that an environmental analysis of wildlife impacts is conducted on more detailed plans for development of Planning Areas 2 and 3 prior to issuance of building permits for those areas. See Condition #20 in Section J (Staff Recommendation).

Environmental Health

105. Draft EIS Section 3.5 – Environmental Health summarizes the environmental history of the Snoqualmie Mill property and additional research and technical evaluations performed by Farallon Consulting, L.L.C. to identify the nature and extent of existing contamination. The EIS section describes the proposed approach and strategy for further investigation and cleanup of the Snoqualmie Mill property in conjunction with future redevelopment. The analysis is based on a variety of historical sources, including (but not limited to) previous environmental reports for the property; documents obtained from federal, state, and local environmental agencies and fire departments; King County property records; Snoqualmie

Valley Historical Society records; documents obtained from the Weyerhaeuser Company; and historic aerial photography.

106. The project would elevate portions of the Snoqualmie Mill property above the base flood elevation and therefore reduce the risk of the storage and use of hazardous substances within the floodplain.

107. Additional analysis of soils and groundwater affecting Planning Area 1 was conducted for the Final EIS in 2020 and 2021. The investigation and analysis identified contaminants exceeding MTCA cleanup levels (arsenic, gasoline-range organics, diesel-range organics, and oil-range organics). The analysis found that the arsenic concentrations were likely representative of naturally occurring background conditions or possibly from an upgradient source in groundwater, and the petroleum hydrocarbon concentrations were predominantly related to naturally occurring biogenic material.

108. The groundwater analytical results for two monitoring well pairs installed on the eastern perimeter of Planning Area 1, adjacent to Planning Areas 2 and 3, demonstrate that contaminated groundwater is not migrating into Planning Area 1 from Planning Area 2 or 3.

109. Construction activities in Planning Area 1 would not disturb contaminated areas in Planning Areas 2 or 3. As with any development activity, there is some potential for accidental spills or releases of fuels or other substances. Similarly, there is a risk of vehicle collisions and spillage of fuels during construction and operation.

110. Although specific uses for each building in the project are not known with certainty at this time, direct, indirect, and cumulative risks of spills, fire, or explosion are considered possible but low or unlikely, given the regulatory requirements for proper handling of materials.

111. Cleanup and remediation of legacy contamination in Planning Areas 2 and 3 would occur in conjunction with development of these areas under the Proposal; development would ultimately result in a net improvement of environmental conditions. This cleanup strategy is common for "brownfield" sites like the Snoqualmie Mill. Commercial and industrial development in Planning Areas 2 and 3 would carry the same risk of direct, indirect, or cumulative accidental release or fire described for Planning Area 1.

112. In August 2021, Ecology conducted a Site Hazard Assessment of the Snoqualmie Mill cleanup site. A Site Hazard Assessment is a standard part of Ecology's regulatory process under MTCA. The purpose of the Site Hazard Assessment is to gather information and basic site-specific environmental data to assess and rank the site relative to other assessed sites in Washington on a scale from 1 to 5, where 1 is the highest relative concern and 5 is the lowest. Ecology assigned the Snoqualmie Mill cleanup site a ranking of 1. The ranking does not require any action or change the overall investigation and cleanup approach, and reaffirms that the cleanup site will be addressed through Ecology's regulatory process irrespective of the applicant's development plans.

113. To protect the safety of workers and other persons occupying or visiting the Snoqualmie Mill property during construction of buildings and infrastructure in Planning Areas 2 and 3 where contamination is present, and during cleanup activities that precede construction, all work is required to comply with Occupational Safety and Health Administration (OSHA) and Washington Industrial Safety and Health Act (WISHA) health and safety requirements for hazardous waste operations (29 Code of Federal Regulations [CFR] 1910.120; Washington Administrative Code [WAC] 296-843, respectively).

114. To ensure that cleanup procedures required under MTCA have been established prior to issuance of grading or building permits for a specific planning area, and to minimize other potential risks to environmental health, a condition is recommended requiring several mitigation measures; see Condition #21 in Section J (Staff Recommendation). Mitigation measures recommended for Traffic and Transportation would also reduce the risk of spills, fire, and explosion related to vehicle accidents.

Land and Shoreline Use

115. Draft EIS Section 3.6 – Land and Shoreline Use evaluates land use patterns, levels of activity, land use compatibility, and consistency of the PCI Plan with adopted land use and shoreline plans and regulations. The section reviews potential land use impacts of the project considering the following land use topics:

- The change in intensity, character, and activity on site and along shorelines.
- The compatibility of the project with current land uses on adjacent properties.

116. Most of the project site has no current developed land use, but much of the site was disturbed by previous development. Much of the site was extensively used for nearly a century as the Weyerhaeuser Snoqualmie Mill. Current, existing uses include the DirtFish Rally School and outdoor storage.

117. The Post-Annexation Implementation Plan (AIP) provides information about current land uses and the anticipated transition to future land uses. It reinforces the applicability of PCI and Open Space-2 zone uses and provides a Planning Area Overview Exhibit that shows areas of development, conservation, and phasing. The PCI Plan application is intended to fulfil the requirements of the Post-Annexation Implementation Plan.

118. The project would redevelop a dormant brownfield site and create a mixed-use master planned development containing residential, retail, industrial, office, and open space uses. Planning Area 1 would integrate planned uses along a pedestrian-oriented main street; 160 housing units would be constructed in mixed-use buildings. On-site activity would increase substantially with the addition of daily employment (3,410 jobs) and residential use, as well as customer/tourism visits to planned retail and restaurant uses. These changes would not be significant or adverse impacts.

119. The project would be compatible with existing and planned uses in the vicinity. The project would be partially visible from the future Snoqualmie Valley Trail to the east. While there is some contrast in uses between the PCI Plan, there is another industrial use to the north of the site, and the contrast in intensity of use between the rural area the project site is similar to what has existed historically, both when the Weyerhaeuser mill operated and when the existing rally school is operating. The change in land use proposed with the project has been planned since the site was annexed and is not an adverse impact on existing and planned land uses in the vicinity.

120. The project includes an open space strategy that focuses development into approximately one-third of the site area and separates it from other uses to the north, and the river and lake to the south. As proposed, approximately 68% of open space would be maintained and enhanced and would include:

- **Natural Open Spaces** – Sensitive area wetlands and streams, buffers, regraded and revegetated buffers; stormwater management (treatment) areas; and floodplain management (compensatory flood storage) areas.
- **Landscape and Active Open Spaces** – Public spaces and landscaped areas incorporated into the site design including public plazas, public open spaces, green areas, commons areas, grassy areas, and active/passive trails through the natural open spaces.

121. Portions of the site near the Snoqualmie River and Borst Lake are regulated as shorelines under the City's Shoreline Master Program (SMP). The shoreline use environment designations in the SMP function as zoning overlays and promote shoreline uses, public access, and environmental conservation consistent with the Shoreline Management Act (SMA). The Urban Floodplain designation applies to the portion of the Snoqualmie Mill site within 200 feet of the floodway; and the Urban Conservancy designation applies to the area encompassing the floodway.

122. Open space would be retained along the southern portion of the site, closest to the river. The area adjacent to the proposed stormwater outfall would be enhanced with landscaping, and pedestrian improvements would be constructed along the re-aligned portion of Mill Pond Road. Along the west, in Planning Area 1, shoreline uses would be more intense, changing from cleared areas formerly used for log storage to more formal roads, parking, and buildings containing light industrial, retail, and live-work units. Proposed uses are consistent with applicable shoreline designations in the City's updated, adopted, and approved SMP. Shoreline permits will be required for development in the shoreline jurisdiction, and the project is required to comply with all development and uses standards in the shoreline.

123. The PCI Plan application proposes to develop Covenants, Conditions, and Restrictions (CC&Rs) and to adopt design guidelines and a design review process that would address land use, site planning, and design, prior to submittal and City review of building permit applications. The design guidelines would address the following: permitted uses; site

planning and design; dimensional requirements, including building height, lot coverage, and setbacks; architectural design; building materials; off-street parking; landscaping; lighting; signage; outdoor storage; and operational performance standards (e.g., to control noise and other emissions).

Housing, Population, and Employment

124. The EIS evaluated Housing, Population, and Employment. The project would accommodate population growth of approximately 304 persons and job growth of approximately 3,410 employees by 2032. Population and employment growth are not adverse environmental impacts in themselves. The increases in population, housing, and employment associated with the project are consistent with growth anticipated by the City.

Aesthetics, Light, and Glare

125. Draft EIS Section 3.9 – Aesthetics, Light, and Glare evaluates aesthetic and visual impacts, including changes in visual character, effects on views, light and glare, and shading conditions. The analysis reviews on-site conditions, major visual landmarks in the vicinity, local topography, and vegetation conditions. Twelve viewpoints were analyzed, and the Draft EIS simulated views of the site from the six locations: Snoqualmie Valley Trail, Sandy Cove Park, Snoqualmie Falls/Snoqualmie River, Borst Lake, the Snoqualmie Casino, and Mount Si. In addition to views of the Snoqualmie Mill site from exterior locations, the EIS also addressed views of major scenic resources from the Snoqualmie Mill site itself, specifically Mount Si and the Cascade foothills.

126. The site is clearly visible from Borst Lake. Members of the public using the Lake will be exposed to views of the site.

127. Nearly two-thirds of the overall site would remain in open space and see a substantial increase in tree cover and native plantings as part of wetland buffer restoration. This open space, along with the site's existing perimeter vegetation, would create a visual buffer around the developed portion of the site and reduce the potential for the public or adjacent properties and developments to see into the site or to experience adverse height and bulk or light and glare impacts from the project.

128. Building heights proposed under the PCI Plan would be similar to many industrial buildings associated with the site's history, with most buildings extending to no more than 55 feet in height, and three mixed-use buildings extending to no more than 55 at the eaves and 70 feet at the ridgeline. Building heights would be similar to the building heights approved in 2018 for the Salish Lodge & Spa expansion

129. Within Planning Area 1, the visual character would change from undeveloped to urban. However, as described in the EIS, the proposed development style employs industrial design elements across proposed land use categories, evoking the site's history, and integrates vegetation and open space into the urban design of the village. Elements and echoes of the

site's rural and industrial visual character would be retained. Planned building layout would also preserve an on-site view corridor focused on the Mill Planer building and Mount Si.

130. Development in Planning Areas 2 and 3 would primarily be visible from locations at elevations higher than the Snoqualmie Mill site and far enough away to see over the surrounding screen of vegetation, such as the Snoqualmie Casino, located approximately 1.5 miles southwest of the project site.

131. Develop of the project would not obstruct views of Mount Si, southeast of the Snoqualmie Mill site, which is the primary scenic landmark visible from Planning Area 1. New development in Planning Area 1 would not interfere with views from nearby important scenic or cultural landmarks, including Sandy Cove Park, Snoqualmie Falls/Snoqualmie River, Borst Lake, and the Snoqualmie Casino.

132. The site currently has very little exterior lighting. Development of the project would add new buildings to a site that is largely undeveloped, which would necessitate the addition of exterior illumination. New roads, parking, and on-site circulation would require the installation of streetlights and other forms of artificial lighting.

133. Light and glare impacts associated with development under the PCI Plan would be moderated by the presence of heavy vegetation along the site perimeter, as well as topographic changes to the east and north.

134. The design guidelines proposed for the project will establish design concepts, design standards, and a pre-application architectural review process for all on-site development. The design standards will address site planning, architectural design, building materials, landscaping, signage, lighting, and other design features, including:

- Site design standards that encourage integration of open space and natural features with development, including landscaping with native species, to reduce the visual effect of increased development intensity on the site.
- Standards for pedestrian environments that require the provision of street plantings and pedestrian amenities.
- Design standards that identify on-site view corridors, particularly those encompassing Mount Si and historic structures on the site, such as the Planer building and the Powerhouse smokestack, and require that the placement of future buildings and trees minimize disruption of these views.

135. A condition is recommended to ensure that the design guidelines are submitted and approved prior to application for building permits for Planning Area 1. Because detailed plans for Planning Areas 2 and 3 will be developed later, it should be recognized that the design guidelines for those areas may need to be amended. The condition should also require that the guidelines be amended prior to application for building permits in Planning Areas 2 and 3, to provide an equivalent level of detail as is provided for Planning Area 1. Additional

environmental review may be required at that time, depending on those specific plans. See Condition #22 in Section J (Staff Recommendation). A condition is recommended requiring the Community Development Director to determine substantial conformance with the PCI Plan and design guidelines prior to issuance of building permits for Planning Areas 1–3. See Conditions #2–3 in Section J (Staff Recommendation).

136. A condition is recommended to require that exterior lighting comply with standards as promulgated by the International Dark-Sky Association and that these standards be integrated into the design guidelines for the project. See Condition #23 in Section J (Staff Recommendation).

Historic and Cultural Resources

137. Draft EIS Section 3.10 – Historic and Cultural Resources addresses cultural resources listed in or eligible for listing in a heritage register, located within the project site, and an area 1 mile downstream (Snoqualmie Falls).

138. Archival research, consultations, and field surveys formed the basis for the identification of cultural resources, and whether a cultural resource met federal, state, or local criteria for listing in a heritage register.

139. Planning Area 1 contains one archaeological resource (SF-CR#2) that is considered eligible for listing on state or federal registers of historic properties, but no adverse impacts on the resource are anticipated from development in Planning Area 1. The resource is domestic debris associated with the former living quarters of Japanese residents of the Snoqualmie Falls Lumber Company town that occupied a portion of the site at one time.

140. Planning Areas 2 and 3 contain three buildings (including Crane Shed No. 3, Planing Mill-Crane Shed, and the Package Lumber Shed) and a site (Mill Site Historic District) that are considered eligible for listing on state or federal registers of historic properties. Six buildings or structures, which are not considered eligible for listing individually, are considered to contribute to the historic integrity of a potential historic district (referred to as the Snoqualmie Falls Lumber Company historic district), encompassing a portion of the eastern side of the property (Planning Area 3).

141. The PCI Plan proposes to retain and reuse two existing historic buildings (the Powerhouse, which is a King County designated landmark, and the Planer building), provided that retention and reuse are economically feasible. Other buildings and structures, many of which are decayed, would be removed.

142. Development of the Proposal would not directly affect Snoqualmie Falls, a Traditional Cultural Property (TCP).

143. Several conditions are recommended to ensure that historic and cultural resources are adequately protected during and after construction of the project. See Conditions #24 through #34 in Section J (Staff Recommendation).

Traffic and Transportation

144. Draft EIS Section 3.11 – Transportation describes existing transportation conditions in the vicinity of the Snoqualmie Mill site, including the existing roadway network, existing traffic volumes, existing Level of Service (LOS) at 23 roadway intersections, and existing site access and circulation. The transportation analysis estimates future (2023 and 2032) vehicle trip distribution for the project and evaluates the resulting impacts to the local transportation network, including trip volumes and resulting intersection LOS. The analysis also addresses potential effects on transit service and traffic safety in the vicinity of the Snoqualmie Mill site.

145. A portion of Mill Pond Road would be realigned to the north and a roundabout added at the entrance to Planning Area 1. A portion of Mill Pond Road would also be abandoned as the new entry road segment is completed; some portions would be converted to a pedestrian trail and restored habitat.

146. With the development of Planning Areas 2 and 3, the project would include the following roadway improvements:

- Additional internal roadway connections between the three planning areas to allow on-site circulation for vehicles, trucks, and non-motorized uses.
- Access to a new east-west private road traversing the site and connecting to Planning Area 3 via a new intersection with SE Mill Pond Road.
- Use of the existing private haul road north of the site to provide access for heavy trucks to service industrial and warehouse uses in Planning Area 2.

147. The haul road may warrant widening in a few locations where it is less than 25 feet wide, to ensure adequate lane width for trucks. However, the road is bounded by wetlands and a stream and their buffers; widening would likely intrude into the buffers and possibly the wetlands. Given these environmental constraints, alternatives to widening should be examined. Pedestrian and other frontage improvements are not proposed on this road, given that the road is private and will primarily be used by truck traffic, and given the environmental constraints.

148. The interchange of SR 18/Snoqualmie Parkway with I-90 currently operates at LOS F during the AM Peak Hour, and both construction and operational traffic from the project would contribute additional trips through this intersection. Washington State Department of Transportation (WSDOT) has plans and funding to improve the intersection to an acceptable level of service. Based on updated information from WSDOT and delays associated with the COVID-19 pandemic, the planned improvement to the I-90 interchange is expected to be completed in 2025. Construction of Planning Area 1 is planned to be completed as early as

late 2023, and the completed project's traffic would contribute 100 AM peak hour trips to this interchange. Therefore, Planning Area 1 could add to existing congestion for a limited period, until the improvement is completed. Due to its limited duration, this potential impact is not considered significant.

149. Construction of the project would generate truck and other construction-related traffic that could affect adjacent streets. A condition is recommended to ensure that construction traffic is managed to minimize these impacts. See Condition #35 in Section J (Staff Recommendation).

150. After development of Planning Area 1, operation of the project would result in increased truck and passenger vehicle trips, increasing vehicle traffic and congestion on nearby roads. Planning Area 1 would produce 5,768 new weekday daily trips, including 357 new AM peak hour trips and 459 new PM peak hour trips. Planning Area 1 would also produce 5,780 new Saturday daily trips.

151. In 2023, development of Planning Area 1 would not result in the failure of any studied intersection to meet City LOS standards. However, the EIS notes that the side-street approaches to the intersection of Fisher Avenue SE and Snoqualmie Parkway are anticipated to operate at LOS F during the AM and PM peak hours, with or without implementation of the Proposal. A condition is recommended to address its impact. See Condition #38 in Section J (Staff Recommendation).

152. Planning Areas 2 and 3 would have greater impacts on traffic patterns, and a number of intersections would fail to meet City LOS standards by 2032. Full buildout of the PCI Plan would result in a total of 13,504 new weekday daily trips, including 1,213 new AM peak hour trips and 1,462 new PM peak hour trips. Saturday daily trips would increase by 9,861 trips.

153. Under full buildout of the PCI Plan in 2032, the following intersections would fail to meet City LOS standards (LOS D) without improvements:

- The side-street approaches at the intersection of Fisher Avenue SE / Snoqualmie Parkway are anticipated to operate at LOS F during the AM and PM peak hours, with or without development of the PCI Plan.
- The northbound approach at the unsignalized Orchard Avenue SE / Snoqualmie Parkway intersection is anticipated to operate at LOS F during the AM peak hour.
- The southbound approach at the unsignalized Allman Avenue SE / Snoqualmie Parkway intersection is anticipated to operate at LOS E during the PM peak hour.
- The single-lane roundabout intersection at Tokul Road SE / SR 202 / SE Mill Pond Road is anticipated to operate at LOS F during the AM and PM peak hours with the PCI Plan at full buildout. The existing roundabout is sufficient to support development of Planning Area 1, but development of Planning Area 3 (anticipated in 2032) would require widening to allow two circulating lanes. The two-lane roundabout would need to be

coordinated with the City's planned future four-lane bridge to the south, which is included in the City's 6-year Transportation Improvement Plan (TIP).

- The intersection of Meadowbrook Way SE / Park Street is expected to operate at LOS E during the AM peak hour.
- The side-street left-turn at the Meadowbrook Way SE / SE North Bend Way intersection is expected to operate at LOS E during the PM peak hour.
- The westbound movement at the intersection of SE Mill Pond Road / private haul road would operate at LOS F during the PM peak hour. This intersection will need to be upgraded to a roundabout to mitigate project impacts.

154. Improvements to these intersections would bring operations at them to acceptable level of service. A condition is recommended to require re-examination of potential impacts when Planning Areas 2 and 3 are developed, to establish a fair share of cost to be collected from the project. A condition is also recommended to incorporate bicycle racks, and participate in programs to reduce commuter vehicle trips to and from the project site. See Conditions #36 and #37, respectively, in Section J (Staff Recommendation).

155. The updated project application indicates a provision of 1,114 parking spaces in Planning Area 1, which exceeds the requirements of 1,050 spaces. See Exhibit B, Page IV-32. The provision of parking in Planning Areas 2 and 3 is not known at this time.

Noise

156. Draft EIS Section 3.12 – Noise evaluates the potential of the Proposal to generate additional sound perceptible to people in and around the proposed development area. The EIS section describes existing noise sources and levels, and forecasts future conditions based on anticipated increases in vehicle traffic generated by future development. Noise generated by construction activities and project operations was also considered.

157. During construction, there would be temporary increases in sound levels at locations near active construction areas and along routes to these areas from heavy equipment and the hauling of construction materials. The increase in noise levels would depend on the type(s) of equipment being used and the amount of time it is in use. Excavation, grading, and construction would generate sound audible on surrounding properties and completed portions of the phased development.

158. Noise from construction activity, as received at nearby off-site receivers, as well as received at on-site noise-sensitive receivers present during later construction phases, may at times exceed the existing ambient levels, and may be perceived as an annoyance. However, City Code allows noise from construction activities between 7 a.m. and 8 p.m., Monday through Friday; between 8 a.m. and 8 p.m. on Saturday; and between 9 a.m. and 8 p.m. on Sunday. Therefore, although some daytime construction activities may be audible and perceived as an annoyance, noise from such activities is permitted during daytime hours.

159. During operation, noise-generating features of the Proposal, including stationary equipment (rooftop ventilation units, HVAC systems, etc.) and on-site truck and passenger vehicle traffic, would create ongoing noise. Noise related to restaurants, tasting rooms, retail sales, wine-making and other light industrial activities would occur within enclosed buildings and would not affect nearby residential uses.

160. Most people cannot detect changes in noise of less than 3 dBA in active outdoor environments, 5-dBA changes would likely be perceived by most people under normal listening conditions.

161. Noise emissions from operation of the project at full buildout would be lower than established City and King County sound level limits. Compared to existing conditions, development of the Proposal would result in an increase of up to 2 A-weighted decibels (dBA) over AM peak hour sound levels at the nearest off-site residential receiver. Humans generally cannot detect an increase in noise less than 3 dBA in active outdoor environments. Therefore, the project-related noise increase is unlikely to be perceptible.

162. Traffic from the project would cause a small increase in off-site noise levels. Existing AM-peak period sound levels near most project-affected roadways are estimated between 63 and 68 dBA. During operation of the project, traffic noise would increase over No Action levels in both 2023 and 2032 by 1–2 dBA at nearby sensitive receptors. Therefore, it is likely that most people would not perceive the changes in traffic noise resulting from the proposed PCI Plan.

Parks

163. Per the City's Comprehensive Plan and the Pre-Annexation Agreement, the Snoqualmie Mill project must plan for and commit to provide trail rights-of-way to connect local and regional trails, specifically the Riverwalk Route and missing Snoqualmie Valley Trail link. The PCI Plan provides land for both trails through continued planning and consultation with the City of Snoqualmie and King County; the exact location of the River Walk Route will be determined as mutually agreed upon by the property owners and the City, and the exact location of the missing Snoqualmie Valley Trail link will be determined as mutually agreed upon by the property owners, the City, and King County Parks Department.

164. The PCI Plan also includes an integrated trail system throughout the entire site to meet resident and on-site employee demands. The trails will include passive and active recreation opportunities for visitors and future employees. Several initial segments of Snoqualmie Mill's planned trail system would be constructed in Planning Area 1 and would provide pedestrian connections to the future trail system planned in the central open space area, and to future development in Planning Areas 2 and 3. Most pedestrian activity in Planning Area 1 would be focused on sidewalks along Mill Street in the mixed-use village center. Trails and sidewalks would also be provided along the realigned portion of Mill Pond Road.

165. The City of Snoqualmie's Municipal Code requires development within the PCI district to set aside at least 35% of the total acreage for open space, natural areas, parks, or green and

common areas (SMC 17.20.050 (G)). Under the PCI Plan, approximately 63% of the overall site would be open space (166 of 261 acres). In Planning Area 1, development is proposed on approximately one-third of the planning area (33 acres), with two-thirds retained as open space (69 acres). Large natural open spaces and wetland conservation areas would be located north and south of the developed area, with additional landscaped open spaces integrated into the planning area.

Public Services

166. Draft EIS Section 3.14 – Public Services evaluates potential impacts of the project on police, fire, and school services in Snoqualmie, which are provided by the Snoqualmie Police Department, Snoqualmie Fire Department, and the Snoqualmie Valley School District, respectively.

167. The Proposal would result in more residents and employees and the potential for more calls for police service. About 0.35 full-time equivalent (FTE) staff would be necessary to maintain the Police Department's current effective level of service (i.e., the city-wide ratio of officers to population), but Police Department staff indicates at least one additional full-time officer would be necessary. In addition to demand for police service from population growth, the commercial, winery, and entertainment uses would attract visitors to the site and could also increase calls for service.

168. While development of the PCI Plan would create demand for fire services, the Snoqualmie Fire Department currently has excess staff and expects to be able to handle the additional demand for fire response personnel. Development of the PCI Plan would also increase demand for fire code permit review and fire code inspections. Development of the PCI Plan with deviations from height standards may require the ability for a fire ladder truck response, which would also be available to serve certain existing buildings (Panorama Apartments, Snoqualmie Inn hotel, and Mt. Si high school). Current ladder truck response is available through a mutual aid agreement from the Cities of Issaquah and Bellevue. A condition is recommended for the project to contribute a proportionate share of the cost of a fire ladder truck.

169. Development under the PCI Plan would be primarily commercial and industrial in nature; residential uses make up a relatively small portion of the development. Based on student generation rates established by Snoqualmie Valley School District, the additional housing units at the Snoqualmie Mill site would generate approximately 28 additional students. For comparison, baseline growth for the City of Snoqualmie through 2032 would generate approximately 730 students.

Utilities

170. The EIS analysis of utilities is based on information contained in the Master Drainage Plan (MDP), which is included in Appendix A of the Draft EIS, and in the City's adopted Water and Wastewater System Plans and 2021 updates thereto. The analysis identifies the current

and planned capacity of City utility infrastructure systems and estimates the additional demand that would be created by development of the proposed PCI Plan.

171. The PCI Plan application estimates total potable water demand of the project would be approximately 799 Equivalent Residential Units (ERU). Based on water demand data drawn from the Department of Ecology draft General Winery Permit, the PCI Plan application estimates that development of Planning Area 1 would account for 239 ERU of this projected demand, from residential units, light industrial/wine production, and retail operations. Using a more conservative approach based on a "per employee" water demand for commercial employees, the City's 2021 Water System Plan update estimates 1,574 ERU total potable water demand for the project, and 327 ERUs for Planning Area 1. Regardless of which estimates are used, the City's water system currently has capacity to support the demands anticipated for Planning Area 1. Water demand in Planning Areas 2 and 3 would be primarily driven by office and industrial warehouse uses. The City is pursuing additional water supply improvements to support the demand estimated for city-wide projected growth and full buildout of the PCI Plan.

172. Some portion of certain water-related improvements are reasonably necessary to serve Planning Areas 1, 2, and 3, as follows:

Planning Area 1:

- Portion of CIP WM12 as identified in the 2021 WSP Update: Construct new 16-inch 599 Zone water main from the North Wellfield WTP, east through the site to the existing 599 Zone 12-inch water main in Reinig Road.
- CIP PZ3 as identified in the Draft 2021 WSP. Construct a new 705/599 PRV upstream of the existing WRF. (This resolves an existing high-pressure condition in the system and is therefore a City-funded project.)

Planning Areas 2 and 3:

- Complete the remaining portion of CIP WM12 as identified in the Draft 2021 WSP: Construct new 16-inch 599 Zone water main from the 599 Zone water main in SE Mill Pond Road, across the Snoqualmie River to the existing 599 Zone water main at Snoqualmie Parkway and Railroad Avenue SE. Once fire flow requirements for the development are determined, the proposed water main diameter shall be confirmed. This is shown as a Developer-funded project in the 2021 WSP Update.
- CIP F12 as identified in the Draft 2021 WSP. Construct a new 599 Zone reservoir and associated water main. Final site location to be determined. This is required for existing system needs, for the Mill site development, and other growth, so it is identified in the 2021 WSP Update as jointly funded by the City and developers.
- CIP M1 and M2 as identified in the Draft 2021 WSP. Conduct a study to increase the supply capacity of the system and implement the recommendations. This study will address potential water supply required to provide service to future customers, both within and outside of the Mill site development, and so would be jointly funded by City and developers.

173. A condition is recommended to confirm actual water supply demand for Planning Area 1 prior to issuance of building permits, and to ensure that adequate potable water capacity is available prior to approval of building permits for Planning Areas 2 and 3. See Condition #46 in Section J (Staff Recommendation). Conditions are also recommended to require the applicant to pay applicable General Facilities Charges (GFCs) for Planning Area 1, and Planning Areas 2 and 3, construct or pay a proportionate share of the improvements identified in Findings of Fact #172 above, subject to credit for any City-funded improvements. See Condition #47 and 48 in Section J (Staff Recommendation).

174. The wastewater treatment facility has residual capacity of 0.20 million gallons per day (MGD) and 766 ERU. This estimate, which is based on the adopted Wastewater System Plan, includes all growth projected to 2032, and is sufficient to accommodate the additional growth represented by buildout of the Snoqualmie Mill site. A condition is also recommended to ensure wastewater treatment capacity is available prior to approval of building permits for Planning Areas 2 and 3. See Condition #46 in Section J (Staff Recommendation).

175. The development concept for Planning Area 1 includes wine production, which carries specific water demand and wastewater discharge needs. Winery production generates wastewater with high concentrations of Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS); depending on the volume of wastewater, winery flows can adversely affect wastewater treatment facility operations unless mitigated. City of Snoqualmie regulations require notice to the City if discharges to the public sewer are likely to exceed established BOD and TSS limits. In such cases, the City may require pretreatment before discharge is allowed to the public sewer.

176. The City's wastewater treatment facility may not have sufficient 5-day Biological Oxygen Demand (BOD5) treatment capacity to serve the full buildout of Snoqualmie Mill Planning Area 1, or Planning Areas 2 and 3 under the proposed action; this conclusion is preliminary and is based on the 2021 General Sewer Plan (GSP) update. Improvements to increase the wastewater treatment facility's rated BOD5 loading capacity may be necessary to support full development of Snoqualmie Mill Planning Area 1 for wine production. The Phase 3 Water Reclamation Facility ("WRF") Improvement project, which is currently under design and planned for construction in 2023-2024, and/or possible construction of a pre-treatment facility, which is currently proposed as part of the Snoqualmie Mill sewer system design, will provide sufficient wastewater treatment capacity for development of Planning Area 1 including wine production. Pre-treatment is intended to implement the requirements and/or recommended BMPs of Ecology's Winery General Permit (issued May 2018, effective July 1, 2019). Implementation of Ecology's BMPs by all Snoqualmie Mill wineries would ensure that wastes reaching the City's wastewater treatment plant are consistent with the City's discharge standards in SMC 13.04.430 and SMC 13.04.460. Conditions are recommended to require the applicant to pay applicable General Facilities Charges (GFCs) for Planning Area 1, and Planning Areas 2 and 3, construct or pay a proportionate share of the cost of constructing wastewater treatment (including potentially on-site equalization and

pretreatment) system improvements reasonably necessary for the Planning Area 1, and for Planning Areas 2 and 3. See Condition #48 in Section J (Staff Recommendation).

177. The plan to serve Snoqualmie Mill Planning Areas 2 and 3 will be reevaluated when the proposed development plans for both areas are more certain, but prior to design of the utilities for these areas. At that time, analysis would also determine if one lift station could be used to serve both Planning Areas 2 and 3, or if both lift stations could pump to the lift station that will serve Planning Area 1. The City's objective is to minimize additional maintenance from new developments where feasible, which includes limiting the number of lift stations owned and operated by the City.

178. Stormwater from the project site will be discharged to the Snoqualmie River. In general, the quality of stormwater discharged to the river is expected to improve relative to current conditions. Wetland buffer restoration and enhancement proposed as part of the PCI Plan, discussed in Draft EIS Section 3.4 – Plants and Animals, would improve the effectiveness of currently degraded wetland buffers to filter impurities from stormwater. In addition, as described in the Master Drainage Plan (Appendix A of the Draft EIS), runoff from developed areas would be treated prior to discharge to the river. Impacts on Snoqualmie River water quality would not be significant.

179. Water, stormwater, and sanitary water systems shown in the PCI Plan for the project are preliminary; detailed designs will be developed at the civil engineering plan review and/or building permit stage for Planning Area 1, and later for Planning Areas 2 and 3. Materials and pipe connection systems would be reviewed by the City at the time detailed development plans are submitted.

180. Site grading and sanitary sewer systems would be designed in such a manner that the rims (or tops) of manholes would lie above the 100-year base flood elevation of the Snoqualmie River.

181. Critical facilities (lift stations) would be located in areas recommended by the geotechnical engineer that can provide stable foundations and would lie above the 100-year base flood elevation of the Snoqualmie River, as required by the City's Flood Hazard regulations (SMC 15.12).

182. Critical gravity utilities, primarily sanitary sewer, would be placed on an engineered subgrade per the recommendation of the geotechnical engineer. Use of earthquake-resistant ductile iron pipe will be considered to reduce the risk of failure of the water distribution system for the Proposal from a seismic event. Use of high-density polyethylene (HDPE) pipe will be considered for possible mitigation of potential settlement for gravity sewer mains. Utilizing backfill that has the same density as the native soil will also be considered for possible mitigation of potential settlement of gravity sewer mains.

183. The project's water supply and distribution, wastewater treatment and conveyance, and stormwater improvement requirements and fair share mitigation responsibilities will be determined more specifically as review of the project continues. Conditions of approval are recommended to require the applicant to construct or pay a proportionate share of construction improvements that are reasonably necessary due to the project, with and for the details of those requirements to be addressed in the development agreement for the project. See Condition #48 in Section J (Staff Recommendation).

184. The Snoqualmie Mill site is included in the City's retail water service area for the 2021 Water System Plan update. As such, it includes the jobs and population associated with the Proposal, except for any winery production at the Snoqualmie Mill site. At a minimum, Department of Health (DOH) construction document approval will likely be required, and the development may also require a Project Report.

185. The Snoqualmie Mill site is included as part of the City's sewer service area for the 2021 GSP update. As such, it includes the jobs and population associated with the Proposal, except for any winery production at the Snoqualmie Mill site. Ecology may require an Engineering Report addressing any proposed winery production at the Snoqualmie Mill site.

Annexation Implementation Plan

186. This PCI plan application addresses several of the requirements of the Annexation Implementation Plan adopted by the City in 2016. These include provision A6, which requires the application for the PCI Plan and preparation of the SEPA analysis; provision B4, which requires sensitive areas studies, all of which are provided with the EIS; provision B5, which addresses Sewer and Water Plan updates that are in progress as discussed in the EIS; and provision B8, which calls for coordination with King County Historic Preservation Office on adaptive re-use of the Powerhouse, also discussed in the EIS.

187. This PCI Plan also addresses several Snoqualmie Comprehensive Plan Polices from Section 8 Annexation Implementation Plans. Specifically, it provides a mixed-use plan (the PCI Plan) that will be the controlling document as called for in policy 7.8.4; it provides buffers from adjacent lands, including rural and resource areas as called for in Policy 7.8.5; and it includes studies of all sensitive areas in the EIS, as called for in Policy 7.8.6.

I. CONCLUSIONS OF LAW

1. The public notice requirements of Chapter 17.85 SMC have been met.

2. Development of the Snoqualmie Mill site is governed by the requirements of SMC 17.20.050 (Planned Commercial/Industrial) and Chapter 17.50 SMC (Planned Unit Developments).
   a) Per SMC 17.20.050(K), the decision process for PCI Plans shall be as set forth in Chapter 17.50 SMC, Planned Unit Development Permit regulations.
   b) Per SMC 17.50.090 and .130, the application process for PCI Plans includes a preapplication conference, submittal of an application with specific materials, Planning Commission public hearing, Planning Commission recommendation, and City Council decision, except that in the event of an administrative appeal of a final EIS for a proposed planned unit development, references to the "Planning Commission" are deemed references to the "Hearing Examiner."
   c) Because an appeal was filed on the EIS, the hearing on the PCI Plan has been consolidated with the appeal before the Hearing Examiner, rather than being heard by the Planning Commission, as required by SMC Sections 17.20.050(K), 17.50.130, and 19.04.235(C).

Planned Commercial/Industrial Plan Criteria

3. SMC 17.20.050.A states the purpose for PCI Plans. The PCI Plan proposes development that is consistent with the purpose stated in the Code. The PCI Plan proposes development of approximately 1.83 million gross square feet of light industrial, manufacturing, warehouse, office, retail, restaurant, and residential uses divided into three distinct planning areas (see Exhibit B). These uses would be concentrated on approximately 34% of the site area, for both efficient use of the land and preservation of open areas and the rural character surrounding the development. Although the site is large, development would be maintained at a scale similar to that of the mill that once occupied the site, and around which the town of Snoqualmie developed. Approximately 63% of the site (166 acres) would remain undeveloped and be maintained for open space, landscaping, wetlands and streams, wildlife habitat, passive recreation, and flood storage. These elements are proposed to be integrated into the site development plans and include pedestrian links and trails. The Proposal includes the preservation and integration of valuable elements of the site's history in the development plans, as feasible, which will also serve to maintain Snoqualmie's small-town character. The project would be largely self-contained and visually isolated from adjacent uses by topography and vegetation, and would be compatible with adjacent uses. With regard to infrastructure, under the development agreement and the proposed in Conditions #35 to #35 in Section J (Staff Recommendation) the project would be compatible with adjacent and nearby lands because it would have natural areas between those uses throughout most of the site, and where it would have industrial and commercial uses abutting adjacent property, the property is generally in commercial or industrial use. This criterion is met.

4. SMC 17.20.050.B requires approval of a PCI Plan for development on any parcel of two acres or larger in the PCI district, and limits further subdivision. The PCI Plan application

states that all development would be controlled by the approved master plan. No further subdivision of the site is proposed; however, reconfiguration of existing lot lines would occur after approval of the PCI Plan. The PCI Plan would therefore function as essentially a binding site improvement plan comprised of the existing tax parcels of the contiguous SMV ownership. A lot line adjustment will be processed in accordance with the PCI Plan to reconfigure the tax parcels to serve as the legal lots associated with future site development activity permits and/or commercial building permits. To ensure that this criterion is met, the lot line adjustment shall be applied for prior to application for building permits, and shall be recorded prior to issuance of building permits. See Condition #4 in Section (Staff Recommendation). With this condition, this criterion will be met.

5. SMC 17.20.050.C applies to parcels less than two acres. There are eight tax parcels that collectively make up the ownership of the Snoqualmie Mill PCI Plan site area. Each tax parcel is larger than the required two-acre minimum in Provision C. Therefore, the permitted uses are not regulated by the Business-General (B-G) district standards. This criterion is met.

6. SMC 17.20.050.D applies to projects that include land in the Planned Residential (PR) district. The PCI Plan site does not include land in the PR district. Therefore, this provision does not apply.

7. SMC 17.20.050.E encourages but does not require a mix of uses, both vertically and horizontally. The project includes a mix of uses, including commercial, industrial, and residential. This criterion is met.

8. SMC 17.20.050.F requires that parcels in the application be under common ownership or subject to common control. This criterion is met, because the Snoqualmie Mill Ventures, LLC owns all parcels affected by the application.

9. SMC 17.20.050.G specifies open space requirements for the project. The project would provide substantially more than the minimum required open space. See Table 1 and Findings of Fact #165. This criterion is met.

10. SMC 17.20.050.H requires that project infrastructure be designed so that it can be efficiently extended to adjacent property. Development of the site would occur in three distinct areas, over an approximate 10-to-15-year period. Proposed circulation, solid waste disposal and recycling, and water, sewer and stormwater management systems are designed accordingly. The primary road and utility system layout would be established with Planning Area 1, and can reasonably be expanded with each subsequent phase of development. In addition, the project, through conditions of approval, will ensure pedestrian connectivity by connecting the project site to an existing sidewalk at the Tokul Roundabout and also to potential future trail(s) south of the project site. See Condition of Approval #7. This criterion is met.

11. SMC 17.20.050.I provides flexibility by allowing for deviations from standard zoning requirements when it would advance the purpose of the PCI zoning district stated in SMC 17.20.050.A and still protect health, safety, and the environment. The purpose of the PCI district is to provide for imaginative, well-designed, master-planned commercial/industrial development containing compatible and complementary uses, including mixed or single retail, wholesale, service and professional businesses, second-story residential uses above such businesses, office and light industrial uses, on parcels of 2 or more acres, which:

    1. Optimizes the efficiency of the use of land;

    2. Is at a scale which serves to maintain existing small-town character;

    3. Optimizes the opportunity for public amenities such as open space, parks, and trails;

    4. Promotes or encourages pedestrian and bicycle orientation and provides the opportunity for district-wide coordination and continuity of pedestrian and bicycle corridors; and

    5. Gives due consideration to development which can reasonably be anticipated on adjacent or nearby lands, both with respect to common infrastructure requirements and compatibility of uses.

PCI Plan Proposed Deviations

12. The proposed deviations to street design standards in SMC Ch. 12.16 for roadway layout on Mill Pond Road would provide better circulation and enhance the shoreline. See Findings of Fact #18 to #27. The roundabout at Mill Street would both improve access to the site and facilitate through traffic movement on Mill Pond Road. The elimination of sidewalk on the west side ~~of a portion~~ of Mill Pond Road South of the roundabout at Mill Street would allow more room for buffer plantings next to the river. Non-motorized and pedestrian connectivity between the Project site and Snoqualmie Falls and/or historic downtown will be enhanced through provision of a sidewalk connection from the proposed roundabout to a sidewalk that currently ends just east of the Tokul Road roundabout. Additional non-motorized and pedestrian connectivity will be provided along a non-paved trail connecting from the on the east side of Mill Pond to the south is beneficial to the public interest, and is consistent with SMC 17.20.050.H. See Condition of Approval #7.

13. As proposed, a standard sidewalk is shown on both sides of the proposed roundabout on Mill Pond Road, which would be at a location where the buffer between the road and the river is minimal. By ending the sidewalk on the north side of the roundabout, a greater portion of the buffer could be planted. A condition is recommended to modify the plans to ~~show the sidewalk ending on the north side of the roundabout~~ provide a sidewalk extending north from the Project site from the proposed new roundabout and extending north and connecting with the sidewalk that currently ends just east of the Tokul Road roundabout, and to show a non-

paved trail along the east side Mill Pond Road south from the proposed new roundabout to the Planning Area 1 boundary. See Condition of Approval #7.

14. The proposed deviations to street design standards in SMC Ch. 12.16 for roadway layout on Mill Street include allow wider sidewalks without planting strips, and angled parking. These deviations would serve the mixed use area in Planning Area 1 better than standard roadway requirements, but proving better access and more pedestrian walking area to accommodate high use periods.

15. The proposed deviations to street design standards in SMC Ch. 12.16 for street lighting would allow the project to have a unique design for lighting fixtures without compromising the quality of lighting. See Findings of Fact #28. The PCI Plan application states as justification that *"The master planning and site development elements for the master plan site are specific to the overall project vision including aesthetics, building scale, incorporation of pedestrian-oriented retail core, outdoor seating and gathering places, passive recreation, and open space concepts."* While the lighting plan has not yet been developed, flexibility of this type is consistent with the purpose of SMC 17.20.050, provided that the lighting plan that is developed meets standards of safe roadway engineering.

16. To ensure that the deviation for street lighting would meet the criteria for allowing deviations, a condition of approval is recommended that the design guidelines include standards for a unified lighting plan for all streets in the development that has been reviewed by a qualified engineer, provides for visibility and safety, and specifies spacing, light intensity, and glare control features, to be approved by the Public Works Director, prior to approval of roadway grading and paving permits for the project. See Condition #8 in Section J (Staff Recommendation). To ensure conformance of the development with the design guidelines and guidelines for lighting design, the guidelines proposed by the applicant shall be subject to City Council review and approval. See Conditions of Approval #5 and 8.

17. SMC 17.55.020 permits construction of multi-family residential dwelling units on the second story or above in a commercial or other nonresidential building in the PCI zone, subject to a conditional use permit. The proposed deviation to remove the requirement in SMC 17.55.020 for a conditional use permit residential uses would provide more flexibility in development. The PCI process has ensured that mitigation is provided for potential off-site impacts of multi-story multi-family dwelling units in Planning Area 1, and the proposal to provide design guidelines approved by the City Council to ensure on-site uses are compatible would accomplish the same purposes as conditional use approval. See Findings of Fact #29 to #33. Accordingly, a condition of approval is recommended to incorporate performance standards for air quality, vibration, heat, glare, noise, and waste storage and disposal that provide equivalent protection to residential uses within the project as those in SMC 17.55.080 into the final design guidelines for the project. See Condition #6 in Section J (Staff Recommendation). The criterion for deviation from the requirement in SMC 17.55.020, for a conditional use permit for multi-family units on the second story and above, is met.

18. The proposed deviation to remove the requirement in SMC 17.55.020 for a conditional use permit restaurant uses including tasting rooms would provide facilitate mixed use development and provide flexibility for the winemakers that are the expected occupants of Planning Area 1. See Findings of Fact #34 to #37. The PCI process has ensured that mitigation is provided for off-site impacts, and the proposal to provide design guidelines to ensure on-site uses are compatible would accomplish the same purposes as conditional use approval. A condition of approval is recommended to incorporate standards that provide equivalent protection to restaurant uses within the project as those in SMC 17.55.080 into the final design guidelines for the project. These standards may include separate provisions for tasting rooms, recognizing that a room within a wine-making facility may occasionally experience noise or other impacts from the facility in which it is located. See Condition #6 in Section J (Staff Recommendation). To ensure conformance of the development with design guidelines required by conditions of approval, the design guidelines proposed by the applicant shall be subject to City Council review and approval. See Conditions of Approval #5 and 8.

19. The proposed deviation from the requirement in SMC 17.55.020 for a conditional use permit for a "utility" in the OS-2 zone would accommodate the proposed stormwater outfall that passes under the realigned portion of Mill Pond Road. The review provided through the SEPA process and conditions that would apply to the design of the outfall would serve the same purpose as the conditional use process would provide. See Findings of Fact #38 to #43. Eliminating the need for an additional permit would serve the purposes of the PCI Plan approval process in SMC 17.20.050.A by facilitating the proposed development under the proposed PCI plan.

20. The proposed deviation from the building height limits in SMC 17.55.040 would serve the purposes of the PCI Plan approval process in SMC 17.20.050.A by better accommodating a variety of commercial, industrial, and residential uses. See Findings of Fact #45 to #48. The SEPA EIS found that there would be no significant adverse impacts to adjacent properties or key viewpoints. See Findings of Fact #129 to #131. The applicant has proposed to develop design guidelines that would further limit visual impacts, such as through perimeter plantings, materials, and roof forms. These design guidelines shall be subject to City Council review and approval. Additionally, the deviation from building height limits in SMC 17.55.040 will facilitate construction of additional residential units within the Planning Area 1 mixed-use buildings will further serve the purposes of the PCI Plan approval process in SMC 17.20.050.A because some portion of the additional housing units can be required to meet affordability criteria which will contribute to a better jobs/housing balance and provide additional benefits to residents and businesses in Snoqualmie, including businesses expected to locate in Planning Area 1. See Condition #1.a and 1.d.

21. To mitigate potential view impacts, a condition is recommended to include guidelines for perimeter plantings to be included in the design guidelines for the project. These should include evergreen screening of Backlot Industrial or Surface Parking within 300 feet of Mill Pond Road or facing the Planer building, Terrace Area, or other open space areas. The

required screening should include a minimum 10-foot wide evergreen planting area with screen planting to a minimum of 7 feet above grade, and evergreen and deciduous trees spaced no more than 15 feet on center. See Condition #9 in Section J (Staff Recommendation).

22. Potential impacts of the increased height could be further reduced with design measures that reduce the visual contrast between the project buildings and the rural landscape setting. A condition is recommended that the design guidelines for the project specify the maximum height and roof pitch for each planning area and include specifications for allowable colors of roofs and wall areas above 40 feet. Materials other than glass above 40 feet should be muted green or earth-tone colors. No mirrored or highly reflective glass should be permitted. Recognizing that the design guidelines may be developed in phases, no development should occur in areas where design guidelines have not been completed. See Conditions #10 and #22 in Section J (Staff Recommendation).

23. The proposed deviation from requirements in SMC 19.12.170.I, would allow the minimum width of wetland buffers in Planning Area 1 to be reduced to allow for site development, including location of a constructed stormwater wetland within one of the wetland buffers. Extensive buffer enhancement is proposed, and average buffer widths would exceed the requirements of the Code. See Findings of Fact #49 to #60. The deviation would serve the purposes of the PCI Plan approval process in SMC 17.20.050.A by allowing design flexibility while ensuring that the environment would not be harmed, provided the proposed mitigation and monitoring program that would accompany building permits is properly designed and executed.

24. A condition is recommended requiring that a detailed wetland mitigation plan be provided, to include measures to protect wetlands during construction and for the life of the project. The plan should include measures calling for avoidance of wetland buffers for construction staging. The mitigation plan should include a determination by a qualified biologist that with mitigation, the stormwater wetland adjacent to Wetland 12 would preserve or enhance wetland functions, and that stormwater discharges meet the requirements in Chapter 15.18 SMC, that stormwater discharges to the wetland's outer buffer will not negatively affect the hydroperiod of the wetland and that there will be no adverse impacts to the water quality of the wetland. The mitigation plan should include a monitoring plan to ensure that the wetlands and wetland buffers develop and are maintained per the plan, and a method of ensuring that the costs of establishing and maintaining the buffers will be covered by the applicant regardless of the success of the project. See Condition #11 in Section J (Staff Recommendation).

25. With the conditions recommended, deviations requested are consistent with SMC 17.20.050.I and SMC 17.20.050(A) because they achieve and advance the purposes of the PCI district as stated in SMC 17.20.050(A), by providing appropriate design flexibility without reducing protection for health, safety, and the environment. See Findings of Fact #18 to #60, and Conclusions of Law #12 to #25.

Planned Unit Development Criteria

26. In addition to the requirements in SMC 17.20.050.A–I, SMC 17.20.050(J) requires that Planned Commercial/Industrial applications conform to the Planned Unit Development regulations in Chapter 17.50 SMC, including the application requirements in SMC 17.50.020, the general and specific standards in SMC 17.50.050 and .060, and the requirements for a report and recommendation from the Hearing Examiner as specified in SMC 17.50.090(E). These criteria are also met, as explained below.

27. SMC 17.50.020(A) requires the site to consist of at least 2 acres. The site is approximately 261 acres. See Table 1 and Findings of Fact #9. This requirement is met.

28. SMC 17.50.020(B) requires that an application be made by all owners of the subject property. This requirement is met, as Snoqualmie Mill Ventures, LLC owns all parcels affected by the application.

29. SMC 17.50.020(C) requires that open space be permanently protected by appropriate covenants or other restrictions. Through the conditions of approval recommended below, this requirement is met.

30. SMC 17.50.020(D) requires that off-street parking be provided in conformance with the parking requirements in Chapter 17.65 SMC. The updated application indicates a provision of 1,114 parking spaces in Planning Area 1, which exceeds the requirements of 1,050 spaces. See Findings of Fact #156. The provision of parking in Planning Areas 2 and 3 is not known at this time. Through the conditions of approval recommended below, this requirement is met.

31. SMC 17.50.020(E) requires the development not conflict with the Comprehensive Plan. This criterion is also met; see Conclusions of Law #46 through #71 related to Comprehensive Plan policy conformance, below.

32. SMC 17.50.020(F) requires that development be completed within 2 years of plan approval, unless another period is stipulated or time for completion is extended by the City Council. The applicant proposes a buildout period of 10–15 years for all three phases. Through the conditions of approval recommended below, this requirement is met.

33. SMC 17.50.020(G) requires all streets to conform to the City's street standards. Per SMC 17.20.050(I), the applicant has requested a deviation from this requirement. With the requested deviations, this requirement is met. See Conclusions of Law #12 to #16.

34. SMC 17.50.020(H) requires the provision of City utility systems including water, wastewater (sewer), and stormwater built to City specifications along with appropriate easements.

Through the conditions of approval recommended below, this requirement is met. See Findings of Fact #171 to #186.

35. SMC 17.50.070(A) requires that residential unit density may not exceed that of the underlying zoning district by more than 20%. The requirement is not applicable, as there is no residential density limit in the PCI district.

36. SMC 17.50.070(B) allows building height to be varied from the underlying zoning district provided the heights meet certain criteria. The applicant has requested a deviation to allow building heights for all buildings except the three Mixed-Use/Residential buildings up to a maximum of 55 feet to the ridgeline and 35 feet to the eave line; and up to a maximum height of 70 feet to the ridgeline of the roof and 55 feet to the eave line for the three Mixed-Use/Residential buildings. With the deviations for building height, the requirement is met. See Conclusions of Law #20 and #22.

37. SMC 17.50.070(C) requires the perimeter of the project to be compatible with surrounding uses. The southwestern perimeter of the project, which consists of large open areas adjacent to Mill Pond Road including some parking areas, stormwater management facilities, and critical areas and their associated buffers, is consistent with the open space uses immediately adjacent to the Snoqualmie River. The northern perimeter of the project consists of critical areas and their associated buffers, and is compatible with the adjacent additional critical areas, vacant land owned by King County, and the Snoqualmie Sand and Gravel pit. The eastern perimeter of the project is not specifically defined at this stage as the precise layout of Planning Areas 2 and 3 is not known at this time; however, the immediately adjacent uses include the future Snoqualmie Valley Trail and the forested hillside leading up to 396th Drive SE. The southern perimeter of the project consists of critical areas and their associated buffers and stormwater management facilities, and is consistent with the adjacent Borst Lake/Mill Pond. In addition, the project provides for perimeter landscaping. With the conditions of approval recommended below, this requirement is met.

38. SMC 17.50.070(D) requires landscape screening to minimize visual impacts on adjoining properties. The project would provide for perimeter landscaping through development of the design guidelines. Through the conditions of approval recommended below, this requirement will be met.

39. SMC 17.50.070(E) requires one or more egress circulation points connected to public rights-of-way. The project includes a primary entrance to the project at a new roundabout on SE Mill Pond Road, which is public road, a secondary access point to the existing Weyerhaeuser haul road and a future access to 396th Drive SE and/or SE Reinig Road (both public roads) through Planning Area 3. The requirement is met.

40. SMC 17.50.070(F) requires arrangement of open space to integrate with the project, instead of being isolated. The Proposal would integrate open space in and around the Planning Area 1 winery-related development, through protection and enhancement of existing wetlands and

buffers to restore them to a functional, connected state compared to the current disconnected state; and retention of the significant wetland area on the north side of the haul road north of Planning Area 1 and creation of constructed stormwater wetlands in a large, open space buffer separating Planning Areas 1 and 3. The requirement is met.

41. SMC 17.50.070(G) specifies open space requirements. Because the project would provide substantially more than the minimum required open space (Findings of Fact #166), the requirement is met. Additionally, SMC 17.50.070(G) states that that recreation space called for by SMC 17.15.080 may be included as part of the required open space. The City's code, SMC 17.15.060, requires recreation space for residential development in multifamily zoning districts. While this code section does not apply to the Planned Commercial Industrial zoning district, provision of a mini park as described in Section G.1 of the 2018 Open Space, Parks, and Recreation Plan is appropriate in Planning Area 1 open space to serve residents of the housing units in the residential portion of mixed-use buildings in Planning Area 1. See Condition #23.a. This criterion is met.

42. SMC 17.50.070(H) requires that streets comply with City street standards. As permitted by SMC 17.20.050(I), the applicant proposes to deviate from a limited number of these standards; see Findings of Fact #16. In summary, the applicant proposes allowing a roundabout at the main site entrance on Mill Pond Road; a pedestrian path only on the east side of Mill Pond Road south of the roundabout (instead of a sidewalk on both sides); a modified local access section for Mill Street to accommodate angle parking (rather than parallel); expanded pedestrian facilities and no planter strip; and a unique street lighting design to be required throughout the project. With the requested deviations, this requirement is met. See Conclusions of Law #12 to #16.

43. SMC 17.50.080 requires conformance with parking requirements in Chapter 17.65 SMC. The updated project application indicates a provision of 1,114 parking spaces in Planning Area 1, which exceeds the requirements of 1,050 spaces. See Findings of Fact #155. The provision of parking in Planning Areas 2 and 3 is not known at this time. Through the conditions of approval recommended below, this requirement will be met.

44. SMC 17.50.090(E) requires that the Hearing Examiner's report to the City Council address certain specified items. This requirement is met, because these Findings of Fact and Conclusions of Law address the items specified in SMC 17.50.090(E)(1) – (6), as set forth below:

    1. *Suitability of the site areas for the proposed development*. The suitability of the site for the project is addressed in Findings of Fact #9.

    2. *Requirements of the subdivision code of the proposed development*. The project does not require a subdivision but, instead, contemplates a lot line adjustment to be processed in accordance with the PCI Plan to reconfigure the existing tax parcels to serve as the legal lots associated with future site development activity permits and/or commercial building permits. To ensure that this criterion is met, a

recommended condition of approval requires the lot line adjustment to be applied for prior to application for building permits, and be recorded prior to issuance of building permits. Requirements of the planned unit development (PUD) code (Ch. 17.50 SMC) are addressed in Conclusions of Law #26–45.

3. *Mitigating of adverse environmental impacts* is addressed in the Findings of Fact above. See Findings of Fact #63 to #185.

4. *Compliance of the proposed development to the provisions of this chapter [Ch. 17.50 SMC]* is addressed in Conclusions of Law #26–45.

5. *Time limitations, if any, for the entire development and specified stages*: There are no specific time limitations associated with this application.

6. *Development in accordance with the Snoqualmie Vicinity Comprehensive Plan and other relevant plans* is addressed in Conclusions of Law #46–71 below.

45. SMC 17.50.120 specifies the requirements for design guidelines for a Planned Unit Development. This requirement will be met through approval of design guidelines concurrent with the first grading or building permit application. Through the conditions of approval recommended below, this requirement will be met.

Comprehensive Plan Consistency

46. SMC 17.50.090(E)(6) requires the report of the Hearing Examiner to identify how the Proposal is *"in accordance with the Snoqualmie…Comprehensive Plan and other relevant plans."* Conclusions of Law #46–71 document the project's consistency with the City of Snoqualmie GMA Comprehensive Plan, "Snoqualmie 2032.".

47. The project is consistent with multiple components of the Comprehensive Plan's Vision statements, including the following:

> [*We Have a] Healthy, Diverse Economy:*
> *· A diverse economic base that generates sufficient revenue to provide and maintain the facilities and services needed and expected by our citizens.*
> *· Mature and highly productive business and light-industry centers integral to the success of both the local and regional economy and that provide family-wage jobs for residents of Snoqualmie and the surrounding rural area.*
> *· Conveniently-located retail shops and services that meet the needs and interests of Snoqualmie area citizens and visitors*

The project will add to the City's economic base, generate more than sufficient revenue to maintain services to the project, and provide an additional, productive business and light-industry center that contributes to the success of the City's and the regional economy. It will also provide conveniently-located retail services (wine production, wine tasting, and restaurants) that meet the needs of Snoqualmie-area residents and visitors.

48. The Mill site is designated as a Local Center for economic development (Ch. 3.F.3), as the Old Mill area for Community Character (Ch. 5.E.9), and as the Mill Site Planning Area for land use purposes (Ch. 7.E.3). Redevelopment of the Mill site as proposed in the PCI Plan and as conditioned as recommended herein is consistent with the Comprehensive Plan's overall vision for Mill site redevelopment as set forth in Chs. 3.F.3, 5.E.9 and 7.E.3.

49. *Policy 3.2.7 – Ensure sufficient water capacity and wastewater treatment capacity are available to support planned economic development within the mill site and urban growth area.* The City has sufficient water capacity and wastewater treatment capacity to support the demands anticipated for Planning Area 1. The City is pursuing additional water supply improvements to support the demand estimated for citywide projected growth, including the urban growth area, and full buildout of the Snoqualmie Mill PCI Plan. Washington law allows development approvals to be conditioned on future demonstration of adequate water supply, and recommended Condition #46 of PCI Plan approval requires demonstration of adequate wastewater and water capacity prior to additional approvals for Planning Areas 2 and 3. Through the conditions of approval recommended below, the project is consistent with Policy 3.2.7.

50. *Policy 3.3.4 – Apply zoning controls that limit uses with low employment density, lower wage jobs, and/or minimal tax revenue to the City, particularly in the Snoqualmie Hills and Mill Planning Areas, including uses such as warehouse/distribution, server farms and similar uses.* The proposed PCI Plan includes a mix of uses including warehouse/manufacturing, light industrial, retail/restaurant, residential mixed use, and office uses. The warehouse component would consist of up to 37% of the total floor area constructed. Therefore, the proposed PCI Plan limits such uses. The project is consistent with Policy 3.3.4.

51. *Policy 3.3.5 – Support and encourage new and expanded business and industry growth that provides higher employment density, jobs with salaries matching local housing costs, and employment opportunities suited to the education level and skills of our current and future population.* The proposed PCI Plan includes a mix of uses including warehouse/manufacturing, light industrial, retail/restaurant, residential mixed use, and office uses. The light industrial and office components would consist of up to 66% of the total floor area constructed. Therefore, the proposed PCI Plan encourages such uses. The project is consistent with Policy 3.3.5.

52. *Policy 3.4.3 – Maintain the City's distinct "main street" retail environment, requiring buildings and storefronts in the Downtown, Meadowbrook, and the Snoqualmie Ridge retail areas to be set to adjacent public street right of way, to maintain pedestrian orientation, storefront visibility and streetscape character.* While not specifically applicable to the Snoqualmie Mill property, the Proposal would focus on creating a "main street" environment along the proposed Mill Street, with a plaza at the eastern end of Mill Street. The project is consistent with Policy 3.4.3.

53. *Policy 3.4.5 – Optimize the use of ground floor spaces for retail uses by directing office, service and other non-retail uses to side streets and upper floors within retail districts.* The project would focus retail and restaurant activity on the proposed Mill Street, with non-retail uses focused on other streets behind Mill Street. The project is consistent with Policy 3.4.5.

54. *Policy 3.5.2 – Maximize the Snoqualmie River as a tourism asset by protecting downtown riverfront properties from erosion and opening the riverfront to visitors by developing a looped "riverwalk" trail with connections to the local Centennial Trail and the regional Snoqualmie Valley and Preston-Snoqualmie trails.* At buildout of Planning Areas 2 and 3, the City's intent is to convert a portion of SE Mill Pond Road to a non-motorized trail as the current vehicle connection offered by Mill Pond Road would be shifted to roads internal to the Snoqualmie Mill project. This conversion of Mill Pond Road would help to complete the "Riverwalk" trail on the north/east bank of the Snoqualmie River and provide a connection from the Snoqualmie Valley Trail to Snoqualmie Falls. In addition, the applicant SMV has already conveyed land to King County to help close the gap in the Snoqualmie Valley Trail between SE Reinig Road and SE Tokul Road; completion of this segment of the Snoqualmie Valley Trail is dependent on King County acquiring additional land from Weyerhaeuser. To the extent the Policy is applicable, the project is consistent with Policy 3.5.2.

55. *Policy 3.5.9 – Support resource-based industries in the local economy, such as outdoor recreation oriented business, locally-grown food production and artisan food entrepreneurs.* The project intends to gear Planning Area 1 toward wineries, wine making, tasting sales, and hospitality. This orientation would support local food production and artisan food entrepreneurs, as well as provide a destination for guests at nearby lodging establishments (the Salish Lodge & Spa and Snoqualmie Inn). The project is consistent with Policy 3.5.9.

56. *Policy 3.6.1 – Balance development with environmental protection and conservation to maintain and enhance the health and beauty of the City's natural setting*. The project provides open space substantially in excess of the requirement. See Findings of Fact #120. The EIS contains visual simulations that demonstrate that impacts on the visual character of the surrounding area and on scenic viewpoints would remain minimal, while also providing residents, employees, and customers of the project exposure to and views of the nearby Snoqualmie River and Mount Si. The project conforms to Policy 3.6.1.

57. *Policy 3.6.2 – Uphold a high standard of design and property maintenance throughout the City.* The project would be subject to design guidelines and covenants, conditions, and restrictions that would serve to maintain a high level of design while ensuring appropriate maintenance of the property post development. The project conforms to Policy 3.6.2.

58. *Policy 4.2.1 – Encourage innovative housing that helps promote City goals for affordability, high-quality sustainable design, and housing to meet diverse household sizes, types and age ranges, and consider flexibility in density and design standards to support such projects.* The project would provide an innovative housing development consistent to achieve an integrated high-quality development. The project includes up to 160 residential units located in mixed-

use buildings above ground floor retail/restaurant uses. See Findings of Fact #118. The project conforms to Policy 4.2.1.

59. *Policy 4.4.1 – To reduce housing operation and maintenance costs, energy use and impact on natural resources, encourage the use of high quality, durable, and low-maintenance building materials, high-efficiency energy systems, and environmentally responsible building principles in all new housing and renovation projects.* The project applicant has indicated the design guidelines will establish a goal of LEED Gold or Platinum certification to achieve energy efficiency. While this is an aspirational goal, striving toward such certification (or similar) would significantly enhance the energy efficiency of the project. The project conforms to Policy 4.4.1.

60. *Policy 5.1.8 – Maintain exterior lighting standards that promote dark-sky maintenance throughout the City.* A recommended condition of approval would require that exterior lighting comply with standards as promulgated by the International Dark-Sky Association and that these standards be integrated into the design guidelines for the project. As conditioned, the project is consistent with Policy 5.1.8.

61. *Policy 5.2.1 – Work individually and cooperatively to identify and evaluate important aspects of historical and cultural heritage and adopt appropriate regulations or other strategies to protect these resources*. The applicant has completed a cultural resources analysis as a part of the EIS process that resulted in recommendations for conditions of approval including an unanticipated discovery plan to protect any possible cultural resources on the site. Further, recommended conditions of approval will mitigate potential impacts on cultural. The project conforms to Policy 5.2.1.

62. *Policy 6.1.5 – Locate open space areas to protect critical areas such as wetlands, landslide hazard and erosion-prone areas, and maintain such areas in their natural condition, including native vegetation preservation.* The project incorporates large open space areas around wetlands, and would restore or enhance degraded and/or non-functional critical area buffers on the project site. The project conforms to Policy 6.1.5.

63. *Policy 6.4.3 – Encourage no net loss of remaining wetlands acreage, functions and values within the City and urban growth area, and the creation of wetlands where feasible.* The project would restore or enhance degraded and/or non-functional wetland and stream buffers on the project site, achieves no net loss of existing wetland acreage, functions and values, and utilizes constructed wetlands for stormwater management. The project conforms to Policy 6.4.3.

64. *Policy 6.4.4 – Restore previously disturbed wetland and stream buffers where feasible, and maintain restored buffers to limit the reintroduction of invasive species.* The project would restore or enhance degraded and/or non-functional wetland and stream buffers on the project site. See Findings of Fact #88. The project conforms to Policy 6.4.4.

65. *Policy 6.4.5 – Ensure wetland regulation and mitigation implementation is flexible enough to allow for protection of systems or corridors of connected wetlands, encourage incentives such as property tax reductions, conservation easements and other techniques to preserve wetlands.* The project utilizes a deviation from standard wetland buffers in order to protect the system and corridors of existing wetlands while also allowing for the enhancement and restoration of existing, degraded, and/or non-functional wetland and stream buffers. See Findings of Fact #49 through #60. The project conforms to Policy 6.4.5.

66. *Policy 7.2.9 – Encourage site design and parking standards that support other Comprehensive Plan objectives, such as impervious surface reductions, increased landscaping, better transit linkages and greater pedestrian and bicycle orientation*. With the requested deviations, the project would minimize impervious surfaces, retain existing vegetation and provide landscaping, and ensure provision of non-motorized connections within and to the development. See Findings of Fact #23. The project conforms to Policy 7.2.9.

67. *Policy 7.5.6 – Support the transformation of underutilized lands such as brownfields and greyfields to viable mixed-use or commercial/industrial employment areas as appropriate*. The project would redevelop the former Snoqualmie Mill, a brownfield site, into a mixed-use commercial/industrial employment area. The project conforms to Policy 7.5.6.

68. *Policy 8.1.3 – Ensure transportation improvements or strategies accommodate development impacts concurrent with that development, and prohibit development if it causes the levels of service for transportation facilities to decline below adopted standards, as required by the GMA.* As discussed in the EIS for this project, Planning Area 1 can be developed without significant new improvements to existing transportation facilities. Development of Planning Areas 2 and 3 would require additional traffic mitigation as identified in the EIS, and such mitigation is addressed in recommended conditions of approval. As conditioned, the project conforms to Policy 8.1.3.

69. *Policy 9.1.3 – Require future development to bear a fair share of costs for planned capital improvements, concurrent with development, to achieve and maintain the adopted level of service*. The EIS prepared for this project has identified several impacts requiring capital improvements, including for traffic, water, and wastewater. See Findings of Fact #154 and #172. Through the conditions of approval recommended below, the project conforms to Policy 9.1.3.

70. *Action Plan Item No. 33: Work with property owners to complete advance planning and environmental review for economic development within the Mill Planning area.* City staff worked with property owners to complete advance planning (Annexation Implementation Plan) and environmental review (Draft EIS and Final EIS), resulting in this Staff Report and recommendation. Action Plan Item No. 33 is met.

71. *Community Character E.9 Mill Site. Developments in this area should incorporate the following:*

Streets, Sidewalks & Trails

- *Improve vehicle access to the site to serve the projected traffic volumes of proposed developments.*
- *Develop connections to Snoqualmie River Walk and the regional SVT Trail.*

Other

- *Ensure environmental cleanup sufficient for intended development uses.*
- *Encourage assessment of the Mill Pond waters and development of public access as appropriate.*
- *Protect and, as funding allows, provide support for the rehabilitation and adaptive reuse of the old powerhouse building.*

The project would add new access points to the site, including along SE Mill Pond Road and along the Weyerhaeuser haul road. The site owner has already conveyed property to King County to help complete the Snoqualmie Valley Trail, and ultimately development of the property would allow for conversion of a portion of SE Mill Pond Road to a non-motorized trail, which would become a key component of the Snoqualmie Riverwalk. The project would clean up hazardous materials and site contamination consistent with state law (MTCA) and Ecology requirements. The project would construct a stormwater system, including a created stormwater wetland to detain and treat stormwater runoff, ensuring that stormwater does not adversely impact the Mill Pond/Borst Lake. Public access to the Mill Pond/Borst Lake is not contemplated in the development in Planning Area 1; future public access could occur as part of the development of Planning Area 3, but such public access would be evaluated as part of later reviews. Development of the primary access point on Mill Pond Road would provide for additional visual public access to the Snoqualmie River, as the roundabout will have sidewalks on the river-facing side. Finally, the project intends to retain and use the former Powerhouse and Planer buildings for unspecified uses, provided this is economically feasible. As a designated landmark, any modification of the Powerhouse would need to maintain its integrity as a landmark.

J. STAFF RECOMMENDATION – PCI-2017-0001

The staff recommendation is to **APPROVE** the Snoqualmie Mill Project, PCI-2017-0001, subject to the following conditions:

Conditions Related to PCI Plan Approval Criteria

1. For all subsequent permit applications and approvals, the warehouses, offices, residential units, and other physical components of the planned commercial / industrial development shall substantially conform to the details of development authorized by this PCI Plan approval, as determined by the Community Development Director. Substantial conformance shall be determined as set forth in SMC 17.30.150, and shall also be subject to the following limitations:

a. The number of residential units shall not exceed 160;
b. The total square footage of non-residential development in Planning Area 1 shall not exceed 470,000 square feet, including approximately 280,000 square feet of Manufacturing/Warehouse use, 120,000 square feet of light industrial use, and 70,000 square feet of retail/restaurant use, as described in Table 1 of this report; and
c. The height of all structures, measured as provided in SMC 17.10.020(GG) and SMC 17.20.040, shall not exceed the limited specified in Condition #10, below.

2. In determining substantial conformance for the project, the Community Development Director shall also be guided by:
   a. The PCI Plan application materials depicting the conceptual design dated March 18, 2022 (Exhibit B);
   b. The criteria in SMC 17.80.050; and
   c. The development and design guidelines required by Conditions #5, #6, #8, #9, and #10 below.

3. The determination of substantial conformance by the Community Development Director shall satisfy the requirements of Chapter 17.80 SMC, Design Review Board.

4. Lot Line Adjustment: A lot line adjustment will be processed in accordance with the PCI Plan to reconfigure the tax parcels to serve as the legal lots associated with future site development activity permits and/or commercial building permits. The lot line adjustment shall be applied for prior to application for building permits and shall be recorded prior to issuance of building permits.

5. To ensure that the project includes design features that were discussed in the project proposal and/or required as conditions of approval, the applicant shall develop a set of design guidelines to the City for approval prior to application for any building permit. Recognizing that the design guidelines may be developed for each Planning Area in phases, no development should occur in areas where design guidelines have not been completed.

6. To ensure that the project creates a mixed-use development where all uses are compatible, the design guidelines shall incorporate performance standards for air quality, vibration, heat, glare, noise, and waste storage and disposal that provide protection for residential and other uses within the project equivalent to those in SMC 17.55.080. These standards may include separate provisions for restaurants and tasting rooms, recognizing that a room within a wine-making facility may occasionally experience noise or other impacts from the facility in which it is located

7. To increase the plantable area between the river and the proposed roundabout on Mill Pond Road, modify the plans to show the sidewalk ending on the north side of the roundabout.

8. The design guidelines shall include standards for a unified lighting plan for all streets in the development that has been reviewed by a qualified engineer, provides for visibility and safety, and specifies spacing, light intensity, and glare control features, to be approved by the

Public Works Director, prior to approval of grading and paving permits for the project's street improvements.

9. To ensure the perimeter of the project is screened, include standards for perimeter planting in the design guidelines. These shall include evergreen screening of Backlot Industrial or Surface Parking from Mill Pond Road, the Planer building, Terrace Area, or other open space areas. The required screening shall include a minimum 10-foot wide evergreen planting area with screen planting to a minimum of 7 feet above grade, and evergreen and deciduous trees spaced no more than 15 feet on center.

10. The design guidelines shall specify the maximum height and minimum roof pitch applicable to each planning area. The three Mixed-Use/Residential buildings abutting Mill Street would be limited to a maximum height of 70 feet to the ridgeline of the roof and 55 feet to the eave line. All other buildings abutting Mill Street could be built to a maximum of 55 feet to the ridgeline and 35 feet to the eave line. Other buildings in Planning Area 1, and any new buildings in Planning Areas 2 and 3 could have flat or shed type roofs and would be limited to 55 feet maximum height including parapets or other rooftop appurtenances. The design guidelines shall also include specifications for allowable colors of roofs and wall areas above 40 feet. Materials other than glass above 40 feet should be muted or earth-tone colors. No mirrored or highly reflective glass should be permitted.

11. To ensure that reduced buffer widths in Planning Area 1 do not harm wetlands, concurrent with application for grading permits, submit a Wetland Mitigation and Monitoring Plan consistent with the PCI Plan and that includes measures to protect wetlands during construction and for the life of the project. The plan shall include measures to avoid using wetland buffers for construction staging. The mitigation plan shall include a determination by a qualified biologist that, as designed, the stormwater wetland adjacent to Wetland 12 would preserve or enhance wetland functions, that stormwater discharges would meet the requirements in Chapter 15.18 SMC, that stormwater discharges to the wetland's outer buffer would not negatively affect the hydroperiod of the wetland, and that there would be no adverse impacts on the water quality of the wetland. The mitigation plan shall include a monitoring plan to ensure that the wetlands and wetland buffers are developed and maintained per the plan, and a method of ensuring that the costs of establishing and maintaining the buffers will be covered by the applicant regardless of the success of the project.

<u>SEPA-related Conditions</u>

Mitigation Measures for Earth Resources

12. To mitigate settlement and <u>risks from liquefaction and lateral spreading</u>, the following geotechnical design elements shall be addressed in the future development planning and permitting process, including civil engineering plan review and issuance of building and clear and grade permits:
    - Plan new site development in a way that does not increase loads on weak subsurface materials.

- Keep final site ground surface elevations at or below existing site grades, except for building pads, consistent with PCI Plan drawings.
- Require deep foundations or possibly deep ground improvement approaches for new structures, including buildings, substantial retaining walls, and similar structures with significant foundation loads.
- Support new floor slabs on deep foundations or areas of deep ground improvement.
- Require remedial preparation of the existing fill for new paving.
- Support new buried utilities, particularly those that are sensitive to grade changes such as gravity sewers, on a layer of new structural fill similar to that to be used below paving.

13. The following measures shall be implemented to mitigate the risks of erosion hazards:
    - Develop a TESC Plan for the project during the design phase, and submit it to the City for review and approval as part of civil engineering plan review and clear and grade permit review.
    - Schedule or phase construction activity as much as possible to reduce the amount of earthwork activity that is performed during the winter months.
    - Install TESC measures prior to any site activity or disturbance.
    - Use filter fences as a perimeter sediment interception measure, as warranted, adjacent to wetlands, stream and river corridors, open space areas, and other sensitive areas located in or adjacent to construction zones to reduce the risk of sediment transport into these features.
    - During the wetter months of the year, or when large storm events are predicted during the summer months, stabilize work areas so the site can receive the rainfall without excessive erosion or sediment transport. Establish temporary stormwater conveyance at the stabilized areas to route runoff to the approved discharge location.
    - Control surface runoff and discharge during and following development. Under no circumstances should concentrated discharges be allowed to flow over the top of steep slopes.
    - Restore soils that are to be reused on the site in such a manner as to reduce erosion from the stockpile (e.g., covering with plastic sheeting, the use of low stockpiles in flat areas, and the use of silt fences around pile perimeters).
    - Direct all temporary or permanent devices used to collect surface runoff into tightlined systems or constructed ditch systems that discharge into approved stormwater control facilities, such as detention ponds or dispersion facilities.
    - Revegetate disturbed areas as soon as possible after construction is complete. If it is outside of the growing season, cover the disturbed areas with mulch or plastic sheeting, as described in the TESC Plan.

14. To reduce potential landslide risks from development in the northeastern corner of the site and the wood/debris pile in Planning Area 3, the following measures shall be implemented, if development is proposed on areas identified in the EIS as steep slopes.
    - Place no fill, topsoil, or other debris on steep slopes. Any fill planned for slopes steeper than 5H:1V (Horizontal:Vertical) elsewhere on the property shall be benched into the slope and placed as structural fill.
    - Remove the soil storage pile at the north end of Planning Area 3.

- Grade all permanent cut slopes in the natural sediments to a maximum of 3H:1V. Cut slopes in fill soils shall be no steeper than 3H:1V unless approved by the geotechnical engineer. Where steeper gradients are required, an approved erosion protection structure or retaining structure shall be utilized. Rockeries shall not be used in association with unstable soil or non-reinforced, fill soils.
- .

15. To mitigate the risks of seismic hazards, the following measures shall be implemented:
    - **Earthquake-Induced Landslide Hazards:** Once a development concept has been formulated in greater detail, the geotechnical engineer shall review the site plans for any planned development near the toe of the steep slopes to determine if slope stability modeling is recommended.
    - **SE Mill Pond Road:** Complete additional subsurface exploration and stability analyses along the bank of the Snoqualmie River and the shoreline of Mill Pond during the design process. Complete bathymetric surveys at both locations to determine the geometry of the underwater portion of the river bank and lake shoreline.
    - **Slope Stability:** Evaluate and implement one or more of the following mitigation measures to address seismic stability associated with the Mill Pond Road realignment:
        - Relocate the new alignment and roundabout with a setback sufficient so that a slope failure will not impact the road.
        - Install structural elements along the roadway edge such as a continuous, large diameter drilled shaft wall (secant pile wall) to constrain the roadway prism from being undermined by a slope failure.
        - Use ground improvement methods such as stone columns or deep soil mixing to strengthen weak native soils presumed to exist beneath the river bank and area adjacent area near the top of the bank.

Mitigation Measures for Air Quality and Greenhouse Gases

16. To reduce potential air quality impacts from construction activities, the following mitigation measures shall be implemented:
    - Use only equipment and trucks that are maintained in optimal operational condition.
    - Require all off-road equipment to have emissions reduction equipment.
    - Use carpooling or other trip-reduction strategies for construction workers.
    - Implement restrictions on construction truck and other vehicle idling.
    - Spray exposed soil with water or other suppressant to reduce emissions of and deposition of particulate matter (PM).
    - Pave or use gravel on staging areas and roads that would be exposed for long periods.
    - Cover all trucks transporting materials, wetting materials in trucks, or providing adequate freeboard (space from the top of the material to the top of the truck bed) to reduce PM emissions and deposition during transport.
    - Provide wheel washers to remove particulate matter that would otherwise be carried off-site by vehicles in order to decrease deposition of particulate matter on area roadways.
    - Cover dirt, gravel, and debris piles as needed to reduce dust and wind-blown debris.

- Stage construction to minimize overall transportation system congestion and delays to reduce regional emissions of pollutants during construction.

17. To reduce GHG and climate change impacts, in addition to compliance with requirements of Building and Energy Codes, buildings shall incorporate green building technologies, to be described in the updated design guidelines. As provided by the PCI Plan, all buildings shall be designed to achieve LEED Gold certification or better, to the greatest extent feasible. Documentation of LEED application shall be required with building permit applications.

Mitigation Measures for Water Resources

18. Construction work within existing functional wetland or stream buffer boundaries shall be limited to the dry season (avoiding November through February) where feasible.

19. Develop stormwater facilities consistent with the PCI Plan drawings and, to the extent feasible, implement the following mitigation measures to reduce potential impacts on water resources:
    - Maintain consistency of existing drainage patterns following development.
    - Maintain flows to surface water-dependent wetlands and streams to provide recharge to the shallow aquifer.
    - Create additional recharge opportunities through the use of constructed stormwater wetlands as part of the runoff treatment system for the site.
    - To ensure coordinated planning and operation of stormwater facilities, develop and provide an Operations and Maintenance (O&M) Manual to the City at the completion of each phase of development and at the completion of overall site development; the O&M Plan will summarize the operation and maintenance requirements of the stormwater system.

Mitigation Measures for Plants and Animals

20. The following mitigation measures shall be implemented to reduce potential impacts on plants and animals:
    - Concurrent with to development in Planning Areas 2 and 3, update the analysis of impacts on wildlife based on more detailed plans, and identify measures to minimize impacts and implement benefits to wildlife habitat.
    - Implement compensatory mitigation measures for impacts on wildlife habitat, including the enhancement of existing wetland buffer vegetation within Planning Areas 2 and 3 by removing invasive species and the replanting of these areas with native trees, shrubs, and groundcovers.
    - Landscaped developed open space areas with a variety of native plant species of value to wildlife, where feasible, given considerations of maintaining adequate sight distance for public safety and other applicable landscape standards.

Mitigation Measures for Environmental Health

21. The following mitigation measures shall be implemented to reduce potential impacts on environmental health:
    - Prior to issuance of grading or construction permits in Planning Areas 2 and 3, establish procedures to remediate legacy site contamination, consistent with MTCA and in coordination with Ecology.
    - To mitigate the risk of a potential release associated with the storage and use of hazardous materials for the cleaning and sanitation of wine-making equipment, all wine-making processes shall occur within an enclosed building.
    - To acknowledge that the project would elevate portions of the Snoqualmie Mill property above the base flood elevation (and therefore reduce the risk of the storage and use of hazardous substances within the floodplain), pursue a Letter of Map Amendment (LOMA) with FEMA to remove the relevant portions of the Snoqualmie Mill property from floodplain maps.
    - Require all future tenants whose operations involve the use or storage of hazardous chemicals to prepare a Spill Prevention and Response Plan for their respective facilities, and to implement BMPs to ensure the proper use, handling, storage, and disposal of chemicals.

Mitigation Measures for Aesthetics, Light, and Glare

22. Update and submit design guidelines prior to applying for building permits for Planning Area 1. Because detailed plans for Planning Areas 2 and 3 will be developed later, it is recognized that the design guidelines for those areas may need to be amended. The guidelines shall be amended prior to applying for building permits in Planning Areas 2 and 3, to provide an equivalent level of detail as is provided for Planning Area 1.

23. Develop and integrate lighting standards into the design guidelines for the project that are based on IES Guidelines for general exterior lighting (RP-43) and street lighting (RP-8), establishing maximum illuminance values an appropriate color temperature range, and specifying International Dark-Sky Association-certified lighting fixtures.

Mitigation Measures for Cultural Resources

24. The applicant shall engage in additional communication with the Snoqualmie Indian Tribe regarding the Snoqualmie Falls TCP.

25. The applicant shall consult with the Washington State Department of Archaeology and Historic Preservation (DAHP) to determine the need for additional survey work regarding the Japanese community site in Planning Area 1. Alternatively, based on detailed design plans for the parking area, an engineer could determine whether soil conditions and building design would impact below ground resources.

26. Prepare an Archaeological Unanticipated Discovery Plan (UDP), approved by the City of Snoqualmie and DAHP, in case archaeological resources and/or human remains are exposed

during ground-disturbing activities and construction. All ground disturbance associated with the development of the PCI Plan will be subject to the UDP.

27. The applicant shall continue to work with the Japanese Cultural and Community Center of Washington (JCCCW) regarding commemoration of the historical contribution of Japanese workers to the Snoqualmie Falls Lumber Company (SFLCo) and the local community.

28. If, in the future, a different project is planned to occur near site SF-CR#2 in Planning Area 1 (domestic debris associated with Japanese residents of the SFLCo's company town) and subsurface disturbance will extend 6 feet below the current grade, DAHP must be consulted regarding potential effects.

29. A professional archaeologist shall review the final grading plan to confirm that the depth of excavation in the vicinity of SF-CR#2 is consistent with the preliminary plan evaluated in the EIS.

30. In Planning Area 2, prior to any action that would cause an adverse effect to Crane Shed No. 3, Planing Mill-Crane Shed, or the Package Lumber Shed, the applicant should complete Historic American Buildings Survey (HABS) documentation Level III and submit the same to the City.

31. During removal of subsurface portions of the Planer Building, Dry Kilns, Finished Lumber Shed, and Package Lumber Shed, a qualified architect or architectural historian meeting the standards of the Secretary of Interior's Professional Qualifications shall be present to evaluate the significance of any structure exposed.

32. In Planning Areas 2 and 3, prior to any action that would cause an adverse effect to the potential SFLCo historic district from demolition of eligible or contributing buildings or structures, the applicant should complete Level II documentation as defined by DAHP.

33. Conduct archaeological surveys within Planning Areas 2 and 3, consisting of trench excavations and shovel probes, in the future when those planning areas are proposed for development.

34. The applicant shall engage in additional consultation with DAHP regarding the boundaries of the potential historic district in Planning Area 3.

<u>Mitigation Measures for Traffic and Transportation</u>

35. Prepare a Construction Management Plan prior to beginning construction. Haul route agreements and truck routes shall be established in coordination with the City of Snoqualmie, WSDOT and, if/where applicable, King County. A traffic monitoring plan shall be developed to manage traffic levels at the site access locations and determine if traffic levels during construction are higher than evaluated for the project buildout. If so, the City may require additional measures to reduce construction traffic impacts as conditions of clear and grade and/or building permit approval.

36. Develop project-specific design guidelines requiring that building owners provide facilities (e.g., bike storage, showers) to encourage bicycle use.

37. Employers that are not subject to the Commute Trip Reduction Act shall implement programs that encourage transit use.

38. The applicant, along with other developments such as Snoqualmie Hill West, shall contribute a pro rata share toward improvements at the side-street approaches at the intersection of Fisher Avenue SE, to achieve acceptable LOS.

39. At the time of development application for Planning Areas 2 and/or 3, update the transportation analysis to confirm current conditions and adopted City improvement plans, and to re-evaluate the need, design, and timing of project-specific mitigation requirements.

40. At the time of development application for Planning Areas 2 and/or 3, develop additional analysis for traffic from specific uses proposed, and work with the City to determine the appropriate proportionate share of the cost of the following identified improvements:
    - Replacement and expansion of the existing SR 202 bridge crossing the Snoqualmie River
    - Widening of the intersection of the haul road with Mill Pond Road and construction of a new roundabout.
    - Widening of the single-lane roundabout intersection at Tokul Road SE / SR 202 / SE Mill Pond Road to allow two circulating lanes.
    - Widening of SR 202 at the Snoqualmie Parkway intersection to provide one additional through lane in each direction.
    - Installation of a roundabout at the SE 99th Street/Snoqualmie Parkway intersection to achieve acceptable LOS.
    - Providing an eastbound to westbound U-turn on Snoqualmie Parkway or at the Allman Avenue SE / Snoqualmie Parkway intersection (to the east of the unsignalized intersection of Orchard Avenue SE / Snoqualmie Parkway).
    - Providing a westbound to eastbound U-turn on Snoqualmie Parkway or at the Orchard Avenue SE / Snoqualmie Parkway intersection (to the west of the unsignalized intersection of Allman Avenue SE / Snoqualmie Parkway).
    - Adding turn lanes or an urban mini-roundabout at the intersection of Meadowbrook Way SE / Park St to achieve acceptable LOS.
    - Adding a full signal at the Fisher Avenue SE / Snoqualmie Parkway intersection (to replace the existing HAWK signal).
    - Adding a roundabout at the Meadowbrook Way SE / SE North Bend Way intersection.

<u>Mitigation Measures for Utilities</u>

41. The project development standards/design guidelines shall require the usage of water-conservation features to reduce water demand and ensure that development does not exceed system capacity.

42. Concurrent with submittal of civil engineering plans for Planning Area 1, submit a detailed wine production wastewater flow and loading analysis for review and approval by the City. The flow and loading analysis must document the anticipated number and sizes of wineries, estimated volume and BOD5 strength of winery wastewater generated, peak or maximum day and month discharges, pipe sizing, proposed equalization sizing, and other relevant information.

43. As directed by the City through any conditions of approval of the winery flow and loading analysis, design and build as part of Planning Area 1 wastewater conveyance improvements on-site equalization facility sufficient to attenuate peak winery-related wastewater flow and loading, and dedicate equalization facility to City.

44. Prior to issuance of building permits for winery-related uses, demonstrate that the project would implement the BMPs identified in Ecology's Winery General Permit, which include removal of solids, control of organic loads, maintenance of the waste management system, and improving water efficiency or, alternatively, pay a proportionate share of improvements to the Snoqualmie Water Reclamation Facility (SWRF) and operations and maintenance costs related to same, as necessary to treat winery wastewater in a manner equivalent to the Winery General Permit BMPs.

45. Prior to issuance of building permits, develop an Operation and Maintenance Manual that summarizes the stormwater system operation and maintenance requirements to ensure coordinated planning and operation of stormwater facilities. Provide the manual to the City at the completion of each phase of development and at the completion of the overall site.

46. Prior to issuance of building permits for Planning Area 1, re-confirm actual estimated water and wastewater demand for Planning Area 1, and obtain certificates of water and sewer availability. Confirm that the Phase 3 Water Reclamation Facility Improvement project is substantially complete prior to issuance of certificates of occupancy for wine production facilities.

47. Prior to issuance of building permits for Planning Areas 2 and 3, ensure that available water supply and wastewater treatment capacity are adequate to serve the new proposed development.

48. Pay an applicable sewer, stormwater and water connection charges as set forth in the Snoqualmie Municipal Code, including service installation charges, direct facilities charges, general facility charges ("GFCs") and latecomers fees, calculated in accordance with the then-applicable sewer, stormwater and water connection charges and paid at the times set forth in Chs. 13.04, 13.10 and 13.12 of the Snoqualmie Municipal Code, as it now exists or may subsequently be amended.

49. Construct the water system facilities specifically needed to provide water service or fire flow to the project and not included in the calculation of the water connection charges required by Condition #48 and Ch. 13.12 SMC, as identified in Findings of Fact #176 above.

Alternatively, where improvements are needed by or will make service available to the City or other existing or future City utility customers, applicant shall pay the proportionate share of the cost of construct of such improvements. The proportionate share amount, timing of payment, and credits (if any) for developer construction of City facilities, to be set forth in the Development Agreement.

Mitigation Measure for Public Services.

50. Pay the proportionate share of the cost of a fire ladder truck sufficient to provide fire response to buildings higher than the PCI district height limit, with the proportionate share amount and timing of payment as determined in the Development Agreement.

Jason Rogers
Interim Community Development Director

March 22, 2022
Date

Attachments:

Exhibit A –Application Submittal Requirements
Exhibit B – PCI Plan Application (including Site Plans)
Exhibit C – Notice of Application and Public Hearing
Exhibit D – List of Property Owners within a 500-foot Radius of Project Boundaries
Exhibit E – Scoping Summary

EXHIBIT C

Conditions Related to PCI Plan Approval Criteria

Conditions Related to PCI Plan Approval Criteria

1. For all subsequent permit applications and approvals, the warehouses, offices, residential units, and other physical components of the planned commercial / industrial development shall substantially conform to the details of development authorized by this PCI Plan approval, as determined by the Community Development Director. Substantial conformance shall be determined as set forth in SMC 17.30.150, and shall also be subject to the following limitations:

   a. The number of residential units shall not exceed 160, and are subject to additional limitations on average square footage, short term rental use, and affordability criteria, all as specified in the Development Agreement;

   b. The total square footage of non-residential development in Planning Area 1 shall not exceed 470,000 square feet, including approximately 280,000 square feet of Manufacturing/Warehouse use, 120,000 square feet of light industrial use, and 70,000 square feet of retail/restaurant use, as described in Table 1 of this report; and

   c. The height of all structures, measured as provided in SMC 17.10.020(GG) and SMC 17.20.040, shall not exceed the ~~limited~~ limits specified in Condition #10, below.

   d. Affordable housing units shall be provided in the numbers and percentages, and subject to recorded covenants and other restrictions, all as set forth in the Development Agreement.

2. In determining substantial conformance for the project, the Community Development Director shall also be guided by:

   a. The PCI Plan application materials depicting the conceptual design dated March 18, 2022 (Exhibit B);

   b. The criteria in SMC 17.80.050; and

   c. The development and design guidelines required by Conditions #5, #6, #8, #9, and #10 below.

3. The determination of substantial conformance by the Community Development Director shall satisfy the requirements of Chapter 17.80 SMC, Design Review Board.

4. Lot Line Adjustment: A lot line adjustment will be processed in accordance with the PCI Plan to reconfigure the tax parcels to serve as the legal lots associated with future site development activity permits and/or commercial building permits. The lot line adjustment shall be applied for prior to application for building permits and shall be recorded prior to issuance of building permits.

5. To ensure that the project includes design features that were discussed in the project proposal and/or required as conditions of approval, the applicant shall develop a set of design guidelines and submit these to the City for review and approval by the City Council prior to application for any building permit. Recognizing that the design guidelines may be developed for each Planning Area in phases, no development should occur in areas where design guidelines have not been completed. The design guidelines shall incorporate the requested deviations, discussed in Staff Report Conclusion Nos. 12-25 and Hearing Examiner Conclusion No. 16. The requested deviations are approved. Design guidelines approved by the City Council shall be applied administratively by City staff prior to issuance of building permits subject to the process as provided in the Development Agreement.

6. To ensure that the project creates a mixed-use development where all uses are compatible, the design guidelines shall incorporate performance standards for air quality, vibration, heat, glare, noise, and waste storage and disposal that provide protection for residential and other uses within the project equivalent to those in SMC 17.55.080. These standards may include separate provisions for restaurants and tasting rooms, recognizing that a room within a wine-making facility may occasionally experience noise or other impacts from the facility in which it is located.

7. ~~To increase the plantable area between the river and the proposed roundabout on Mill Pond Road, modify the plans to show the sidewalk ending on the north side of the roundabout~~ Modify the PCI plans to include:

a. A sidewalk connecting the proposed project main entrance roundabout in Planning Area 1 to an existing sidewalk located east of the Tokul Roundabout; and

b. A path on the east side of Mill Pond Road extending south from the proposed project main entrance roundabout, to the Planning Area 1 boundary.

The details, process and timing for design and approval of the sidewalk and path shall be as provided for in the Development Agreement.

8. The design guidelines shall include standards for a unified lighting plan for all streets in the development that has been reviewed by a qualified engineer, provides for visibility and safety, and specifies spacing, light intensity, and glare control features, ~~to~~ and shall be subject to review and approval ~~approved~~ by the City Council, prior to issuance of approval of grading and paving permits for the project's street improvements. Additional details concerning the process

for development of design guidelines and lighting standards shall be as provided in the Development Agreement.

9. To ensure the perimeter of the project is screened, include standards for perimeter planting in the design guidelines. These shall include evergreen screening of Backlot Industrial or Surface Parking from Mill Pond Road, the Planer building, Terrace Area, or other open space areas. The required screening shall include a minimum 10-foot wide evergreen planting area with screen planting to a minimum of 7 feet above grade, and evergreen and deciduous trees spaced no more than 15 feet on center.

10. The design guidelines shall specify the maximum height and minimum roof pitch applicable to each planning area. The three Mixed-Use/Residential buildings abutting Mill Street ~~would be~~ are limited to a maximum height of 70 feet to the ridgeline of the roof and 55 feet to the eave line. All other buildings abutting Mill Street could be built to a maximum of 55 feet to the ridgeline and 35 feet to the eave line. Other buildings in Planning Area 1, and any new buildings in Planning Areas 2 and 3 could have flat or shed type roofs and would be limited to 55 feet maximum height. All ~~including~~ parapets or other rooftop appurtenances shall be within the above height limits and may not project above the height limits above. The design guidelines shall also include specifications for allowable colors of roofs and wall areas above 40 feet. Materials other than glass above 40 feet should be muted or earth-tone colors. No mirrored or highly reflective glass should be permitted.

11. To ensure that reduced buffer widths in Planning Area 1 do not harm wetlands, concurrent with application for grading permits, submit a Wetland Mitigation and Monitoring Plan consistent with the PCI Plan and that includes measures to protect wetlands during construction and for the life of the project. The plan shall include measures to avoid using wetland buffers for construction staging. The mitigation plan shall include a determination by a qualified biologist that, as designed, the stormwater wetland adjacent to Wetland 12 would preserve or enhance wetland functions, that stormwater discharges would meet the requirements in Chapter 15.18 SMC, that stormwater discharges to the wetland's outer buffer would not negatively affect the hydroperiod of the wetland, and that there would be no adverse impacts on the water quality of the wetland. The mitigation plan shall include a monitoring plan to ensure that the wetlands and wetland buffers are developed and maintained per the plan, and a method of ensuring that the costs of establishing and maintaining the buffers will be covered by the applicant regardless of the success of the project.

SEPA-related Conditions

Mitigation Measures for Earth Resources

12. To mitigate settlement and risks from liquefaction and lateral spreading, the following geotechnical design elements shall be addressed in the future development planning and

permitting process, including civil engineering plan review and issuance of building and clear and grade permits:

- Plan new site development in a way that does not increase loads on weak subsurface materials.

- Keep final site ground surface elevations at or below existing site grades, except for building pads, consistent with PCI Plan drawings.

- Require deep foundations or possibly deep ground improvement approaches for new structures, including buildings, substantial retaining walls, and similar structures with significant foundation loads.

- Support new floor slabs on deep foundations or areas of deep ground improvement.

- Require remedial preparation of the existing fill for new paving.

- Support new buried utilities, particularly those that are sensitive to grade changes such as gravity sewers, on a layer of new structural fill similar to that to be used below paving.

13. The following measures shall be implemented to mitigate the risks of erosion hazards:

- Develop a TESC Plan for the project during the design phase, and submit it to the City for review and approval as part of civil engineering plan review and clear and grade permit review.

- Schedule or phase construction activity as much as possible to reduce the amount of earthwork activity that is performed during the winter months.

- Install TESC measures prior to any site activity or disturbance.

- Use filter fences as a perimeter sediment interception measure, as warranted, adjacent to wetlands, stream and river corridors, open space areas, and other sensitive areas located in or adjacent to construction zones to reduce the risk of sediment transport into these features.

- During the wetter months of the year, or when large storm events are predicted during the summer months, stabilize work areas so the site can receive the rainfall without excessive erosion or sediment transport. Establish temporary stormwater conveyance at the stabilized areas to route runoff to the approved discharge location.

- Control surface runoff and discharge during and following development. Under no circumstances should concentrated discharges be allowed to flow over the top of steep slopes.

- Restore soils that are to be reused on the site in such a manner as to reduce erosion from the stockpile (e.g., covering with plastic sheeting, the use of low stockpiles in flat areas, and the use of silt fences around pile perimeters).

- Direct all temporary or permanent devices used to collect surface runoff into tightlined systems or constructed ditch systems that discharge into approved stormwater control facilities, such as detention ponds or dispersion facilities.

- Revegetate disturbed areas as soon as possible after construction is complete. If it is outside of the growing season, cover the disturbed areas with mulch or plastic sheeting, as described in the TESC Plan.

14. To reduce potential landslide risks from development in the northeastern corner of the site and the wood/debris pile in Planning Area 3, the following measures shall be implemented, if development is proposed on areas identified in the EIS as steep slopes.

- Place no fill, topsoil, or other debris on steep slopes. Any fill planned for slopes steeper than 5H:1V (Horizontal:Vertical) elsewhere on the property shall be benched into the slope and placed as structural fill.

- Remove the soil storage pile at the north end of Planning Area 3.

- Grade all permanent cut slopes in the natural sediments to a maximum of 3H:1V. Cut slopes in fill soils shall be no steeper than 3H:1V unless approved by the geotechnical engineer. Where steeper gradients are required, an approved erosion protection structure or retaining structure shall be utilized. Rockeries shall not be used in association with unstable soil or non-reinforced, fill soils.

15. To mitigate the risks of seismic hazards, the following measures shall be implemented:

- **Earthquake-Induced Landslide Hazards:** Once a development concept has been formulated in greater detail, the geotechnical engineer shall review the site plans for any planned development near the toe of the steep slopes to determine if slope stability modeling is recommended.

- **SE Mill Pond Road:** Complete additional subsurface exploration and stability analyses along the bank of the Snoqualmie River and the shoreline of Mill Pond during the design process. Complete bathymetric surveys at both locations to determine the geometry of the underwater portion of the river bank and lake shoreline.

- **Slope Stability:** Evaluate and implement one or more of the following mitigation measures to address seismic stability associated with the Mill Pond Road realignment:

- Relocate the new alignment and roundabout with a setback sufficient so that a slope failure will not impact the road.

- Install structural elements along the roadway edge such as a continuous, large diameter drilled shaft wall (secant pile wall) to constrain the roadway prism from being undermined by a slope failure.

- Use ground improvement methods such as stone columns or deep soil mixing to strengthen weak native soils presumed to exist beneath the river bank and area adjacent area near the top of the bank.

Mitigation Measures for Air Quality and Greenhouse Gases

16. To reduce potential air quality impacts from construction activities, the following mitigation measures shall be implemented:

- Use only equipment and trucks that are maintained in optimal operational condition.

- Require all off-road equipment to have emissions reduction equipment.

- Use carpooling or other trip-reduction strategies for construction workers.

- Implement restrictions on construction truck and other vehicle idling.

- Spray exposed soil with water or other suppressant to reduce emissions of and deposition of particulate matter (PM).

- Pave or use gravel on staging areas and roads that would be exposed for long periods.

- Cover all trucks transporting materials, wetting materials in trucks, or providing adequate freeboard (space from the top of the material to the top of the truck bed) to reduce PM emissions and deposition during transport.

- Provide wheel washers to remove particulate matter that would otherwise be carried off-site by vehicles in order to decrease deposition of particulate matter on area roadways.

- Cover dirt, gravel, and debris piles as needed to reduce dust and wind-blown debris.

- Stage construction to minimize overall transportation system congestion and delays to reduce regional emissions of pollutants during construction.

17. To reduce GHG and climate change impacts, in addition to compliance with requirements of Building and Energy Codes, buildings shall incorporate green building technologies, to be described in the updated design guidelines. As provided by the PCI Plan, all

buildings shall be designed to achieve LEED Gold certification or better, to the greatest extent feasible. Documentation of LEED application shall be required with building permit applications.

Mitigation Measures for Water Resources

18. Construction work within existing functional wetland or stream buffer boundaries shall be limited to the dry season (avoiding November through February) where feasible.

19. Develop stormwater facilities consistent with the PCI Plan drawings and, to the extent feasible, implement the following mitigation measures to reduce potential impacts on water resources:

- Maintain consistency of existing drainage patterns following development.
- Maintain flows to surface water-dependent wetlands and streams to provide recharge to the shallow aquifer.
- Create additional recharge opportunities through the use of constructed stormwater wetlands as part of the runoff treatment system for the site.
- To ensure coordinated planning and operation of stormwater facilities, develop and provide an Operations and Maintenance (O&M) Manual to the City at the completion of each phase of development and at the completion of overall site development; the O&M Plan will summarize the operation and maintenance requirements of the stormwater system.

Mitigation Measures for Plants and Animals

20. The following mitigation measures shall be implemented to reduce potential impacts on plants and animals:

- Concurrent with to development in Planning Areas 2 and 3, update the analysis of impacts on wildlife based on more detailed plans, and identify measures to minimize impacts and implement benefits to wildlife habitat.
- Implement compensatory mitigation measures for impacts on wildlife habitat, including the enhancement of existing wetland buffer vegetation within Planning Areas 2 and 3 by removing invasive species and the replanting of these areas with native trees, shrubs, and groundcovers.
- Landscaped developed open space areas with a variety of native plant species of value to wildlife, where feasible, given considerations of maintaining adequate sight distance for public safety and other applicable landscape standards.

Mitigation Measures for Environmental Health

21. The following mitigation measures shall be implemented to reduce potential impacts on environmental health:

- Prior to issuance of ~~grading or construction~~ permits allowing earth disturbance in Planning Areas 1, 2 and 3, establish procedures as determined in the Development Agreement to investigate and, if required, remediate legacy site contamination, all in compliance ~~consistent~~ with MTCA and in coordination with Ecology.

- To mitigate the risk of a potential release associated with the storage and use of hazardous materials for the cleaning and sanitation of wine-making equipment, all wine-making processes shall occur within an enclosed building.

- To acknowledge that the project would elevate portions of the Snoqualmie Mill property above the base flood elevation (and therefore reduce the risk of the storage and use of hazardous substances within the floodplain), pursue a Letter of Map Amendment (LOMA) with FEMA to remove the relevant portions of the Snoqualmie Mill property from floodplain maps.

- Require all future tenants whose operations involve the use or storage of hazardous chemicals to prepare a Spill Prevention and Response Plan for their respective facilities, and to implement BMPs to ensure the proper use, handling, storage, and disposal of chemicals.

Mitigation Measures for Aesthetics, Light, and Glare

22. Update and submit design guidelines, subject to City Council review and approval, prior to applying for building permits for Planning Area 1. Because detailed plans for Planning Areas 2 and 3 will be developed later, it is recognized that the design guidelines for those areas may need to be amended. The guidelines shall be amended prior to applying for building permits in Planning Areas 2 and 3, to provide an equivalent level of detail as is provided for Planning Area 1.

23. Develop and integrate lighting standards into the design guidelines for the project that are based on or are substantially similar to IES Guidelines for general exterior lighting (RP-43) and street lighting (RP-8), establishing maximum illuminance values an appropriate color temperature range, and specifying International Dark-Sky Association-certified lighting fixtures.

23.a. To mitigate potential impacts on City recreation facilities from new residents of the Planning Area 1 residential units, provide, operate and maintain a mini-park as part of the Planning Area 1 open space, as set forth in the Development Agreement and as provided in in Section G.1 of the 2018 Open Space, Parks, and Recreation Plan.

Mitigation Measures for Cultural Resources

24. The applicant shall engage in additional communication with the Snoqualmie Indian Tribe regarding the Snoqualmie Falls TCP and other matters of concern to the Tribe, with the timing and process for such communication as specified in the Development Agreement.

25. The applicant shall consult with the Washington State Department of Archaeology and Historic Preservation (DAHP) to determine the need for additional survey work regarding the Japanese community site in Planning Area 1. Alternatively, based on detailed design plans for the parking area, an engineer could determine whether soil conditions and building design would impact below ground resources.

26. Prepare an Archaeological Unanticipated Discovery Plan (UDP), approved by the City of Snoqualmie and DAHP, in case archaeological resources and/or human remains are exposed during ground-disturbing activities and construction. All ground disturbance associated with the development of the PCI Plan will be subject to the UDP.

27. The applicant shall continue to work with the Japanese Cultural and Community Center of Washington (JCCCW) regarding commemoration of the historical contribution of Japanese workers to the Snoqualmie Falls Lumber Company (SFLCo) and the local community.

28. If, in the future, a different project is planned to occur near site SF-CR#2 in Planning Area 1 (domestic debris associated with Japanese residents of the SFLCo's company town) and subsurface disturbance will extend 6 feet below the current grade, DAHP must be consulted regarding potential effects.

29. A professional archaeologist shall review the final grading plan to confirm that the depth of excavation in the vicinity of SF-CR#2 is consistent with the preliminary plan evaluated in the EIS.

30. In Planning Area 2, prior to any action that would cause an adverse effect to Crane Shed No. 3, Planing Mill-Crane Shed, or the Package Lumber Shed, the applicant should complete Historic American Buildings Survey (HABS) documentation Level III and submit the same to the City.

31. During removal of subsurface portions of the Planer Building, Dry Kilns, Finished Lumber Shed, and Package Lumber Shed, a qualified architect or architectural historian meeting the standards of the Secretary of Interior's Professional Qualifications shall be present to evaluate the significance of any structure exposed.

32. In Planning Areas 2 and 3, prior to any action that would cause an adverse effect to the potential SFLCo historic district from demolition of eligible or contributing buildings or structures, the applicant should complete Level II documentation as defined by DAHP.

33. Conduct archaeological surveys within Planning Areas 2 and 3, consisting of trench excavations and shovel probes, in the future when those planning areas are proposed for development.

34. The applicant shall engage in additional consultation with DAHP regarding the boundaries of the potential historic district in Planning Area 3.

Mitigation Measures for Traffic and Transportation

35. Prepare a Construction Management Plan prior to beginning construction. Haul route agreements and truck routes shall be established in coordination with the City of Snoqualmie, WSDOT and, if/where applicable, King County. A traffic monitoring plan shall be developed to manage traffic levels at the site access locations and determine if traffic levels during construction are higher than evaluated for the project buildout. If so, the City may require additional measures to reduce construction traffic impacts as conditions of clear and grade and/or building permit approval.

36. Develop project-specific design guidelines requiring that building owners provide facilities (e.g., bike storage, showers) to encourage bicycle use.

37. Employers that are not subject to the Commute Trip Reduction Act shall implement programs that encourage transit use.

38. The applicant, along with other developments such as Snoqualmie Hill West, shall contribute a pro rata share toward improvements at the side-street approaches at the intersection of Fisher Avenue SE, to achieve acceptable LOS, with the amount and timing of payment as specified in the Development Agreement.

39. At the time of development application for Planning Areas 2 and/or 3, update the transportation analysis to confirm current conditions and adopted City improvement plans, and to re-evaluate the need, design, and timing of project-specific mitigation requirements.

40. At the time of development application for Planning Areas 2 and/or 3, develop additional analysis for traffic from specific uses proposed, and work with the City to determine the appropriate proportionate share of the cost of the following identified improvements:

- Replacement and expansion of the existing SR 202 bridge crossing the Snoqualmie River
- Widening of the intersection of the haul road with Mill Pond Road and construction of a new roundabout.
- Widening of the single-lane roundabout intersection at Tokul Road SE / SR 202 / SE Mill Pond Road to allow two circulating lanes.

- Widening of SR 202 at the Snoqualmie Parkway intersection to provide one additional through lane in each direction.

- Installation of a roundabout at the SE 99th Street/Snoqualmie Parkway intersection to achieve acceptable LOS.

- Providing an eastbound to westbound U-turn on Snoqualmie Parkway or at the Allman Avenue SE / Snoqualmie Parkway intersection (to the east of the unsignalized intersection of Orchard Avenue SE / Snoqualmie Parkway).

- Providing a westbound to eastbound U-turn on Snoqualmie Parkway or at the Orchard Avenue SE / Snoqualmie Parkway intersection (to the west of the unsignalized intersection of Allman Avenue SE / Snoqualmie Parkway).

- Adding turn lanes or an urban mini-roundabout at the intersection of Meadowbrook Way SE / Park St to achieve acceptable LOS.

- Adding a full signal at the Fisher Avenue SE / Snoqualmie Parkway intersection (to replace the existing HAWK signal).

- Adding a roundabout at the Meadowbrook Way SE / SE North Bend Way intersection.

Mitigation Measures for Utilities

41. The project development standards/design guidelines shall require the usage of water-conservation features to reduce water demand and ensure that development does not exceed system capacity.

42. Construct the wastewater system facilities specifically needed to provide wastewater pretreatment (if required by these Conditions of Approval and the Development Agreement) and wastewater flow from the project, as identified in Staff Report Findings of Fact #176 and 183. Concurrent with submittal of civil engineering plans for Planning Area 1, submit a detailed wine production wastewater flow and loading analysis for review and approval by the City. The flow and loading analysis must document the anticipated number and sizes of wineries, estimated volume and BOD5 strength of winery wastewater generated, peak or maximum day and month discharges, pipe sizing, proposed equalization sizing, and other relevant information.

43. As directed by the City through any conditions of approval of the winery flow and loading analysis, design and build as part of Planning Area 1 wastewater conveyance improvements on-site equalization facility sufficient to attenuate peak winery-related wastewater flow and loading, and dedicate equalization facility to City.

44. Prior to issuance of building permits for winery-related uses, demonstrate that the project would implement the BMPs identified in Ecology's Winery General Permit, which include

removal of solids, control of organic loads, maintenance of the waste management system, and improving water efficiency or, alternatively, pay a proportionate share of improvements to the Snoqualmie Water Reclamation Facility (SWRF) and operations and maintenance costs related to same, as necessary to treat winery wastewater in a manner equivalent to the Winery General Permit BMPs.

45. Prior to issuance of building permits, develop an Operation and Maintenance Manual that summarizes the stormwater system operation and maintenance requirements to ensure coordinated planning and operation of stormwater facilities. Provide the manual to the City at the completion of each phase of development and at the completion of the overall site.

46. Prior to issuance of building permits for Planning Area 1, re-confirm actual estimated water and wastewater demand for Planning Area 1, and obtain certificates of water and sewer availability. Confirm that the Phase 3 Water Reclamation Facility Improvement project is substantially complete prior to issuance of certificates of occupancy for wine production facilities.

47. Prior to issuance of building permits for Planning Areas 2 and 3, ensure that available water supply and wastewater treatment capacity are adequate to serve the new proposed development.

48. Pay ~~an~~ all applicable sewer, stormwater and water connection charges as set forth in the Snoqualmie Municipal Code, including service installation charges, direct facilities charges, general facility charges ("GFCs") and latecomers fees, calculated in accordance with the then-applicable sewer, stormwater and water connection charges and paid at the times set forth in Chs. 13.04, 13.10 and 13.12 of the Snoqualmie Municipal Code, as it now exists or may subsequently be amended.

49. Construct the water system facilities specifically needed to provide water service or fire flow to the project and not included in the calculation of the water connection charges required by Condition #48 and Ch. 13.12 SMC, as identified in Staff Report Findings of Fact #172 and 173 above. Alternatively, where improvements are needed by or will make service available to the City or other existing or future City utility customers, applicant shall pay the proportionate share of the cost of construct of such improvements. The proportionate share amount and/or the timing and process for determining the same, the timing of payment, and the timing and process for determining credits (if any) for developer construction of City facilities, shall be as ~~to~~ be set forth in the Development Agreement. Dedicate and convey elements of the water and wastewater system to the City, as set forth in the Development Agreement.

Mitigation Measure for Public Services.

50. Pay the proportionate share of the cost of a fire ladder truck sufficient to provide fire response to buildings higher than the PCI district height limit, with the proportionate share amount and timing of payment as determined in the Development Agreement.