

1 **DATE: February 27, 2013**
2
3 **TO: City Council**
4
5 **FROM: David Kleitsch, Economic Development Director**
6
7 **SUBJECT: Lynnwood Place: Cycle 2 Overview**
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10 **Summary**

11 On February 25, 2013, the City Council approved amendments to the
12 Comprehensive Plans and Zoning Ordinance for the former site of Lynnwood
13 High School. This action completed Cycle 1 of the Lynnwood Place Permit
14 Review Process.

15 Cycle 2 is the next step in the development process. Required is an ordinance to
16 adopt a development agreement and planned action ordinance for the Lynnwood
17 Place project. These matters require a public hearing and action by City Council.

18 To initiate Cycle 2 the following material is provided as an overview of the steps
19 in the process and related information. At the Council meeting on March 4,
20 2013, City Council will be given an overview of Cycle 2, followed by the
21 considerations involved and the process to be followed.

22 Upon completion of Cycle 2, the project will move forward into the administrative
23 functions of Construction Permits, Cycle 3, and Construction, Cycle 4.

24

25 **Permit Review Process Diagram, Attachment 1**

26 On December 19, 2012, City Council received a binder regarding Lynnwood
27 Place Permit Review, which has been periodically updated as new information
28 became available. Included in the binder was a diagram entitled, **Lynnwood**
29 **Place – Permit Review Process**.

30 The diagram provided in Attachment 1 outlines the various cycles and timeline
31 for the project. The diagram originally included an estimated timeline which no
32 longer applies.

33 On February 25, 2013, City Council adopted the comprehensive plan and
34 rezoning amendments for Lynnwood Place property. These actions completed

35 Cycle 1. City Council is now initiating Cycle 2 for consideration of the
36 development agreement and the planned action ordinance.

37 City Council deliberations and action on Cycle 1 were completed in advance of
38 the timeline provided on the process diagram. The goal is to advance Cycle 2 so
39 that consideration and action on the development agreement and planned action
40 ordinance may be completed prior to July 2013. This outcome would enable the
41 developer to begin site work during the 2013 construction season.

42

43 **Cycle 2 Council Questions/Requests for Information, Attachment 2**

44 On February 25, 2013 City Council approved the comprehensive plan and
45 rezoning amendments included within Cycle 1. The preparation of a
46 development agreement and planned action ordinance may now proceed.

47 Consideration by City Council of comprehensive plan and zoning amendments in
48 Cycle 1 was a quasi-judicial matter. Questions and requests from
49 Councilmembers related to the specifics of the proposed project were deferred
50 until Cycle 2. This approach was outlined in a memorandum to City Council from
51 Community Development Director Krauss dated January 30, 2013.

52 Attachment 2 includes the list of questions and requests from Councilmembers
53 compiled prior to February 25, 2013, which pertain to Cycle 2. City Council
54 should review the completeness of list and ensure all the topics are included.
55 Responses to the questions and requests are being prepared and will be include
56 during the discussions of the development agreement and planned action
57 ordinance.

58

59 **Development Agreement Overview, Attachment 3**

60 On February 25, 2013, City Council adopted comprehensive plan and zoning
61 amendments for the Lynnwood Place project. The action by Council requires the
62 execution and recording of a development agreement in Cycle 2 prior to the
63 issuance of construction permits in Cycle 3 of the development process.

64 Attachment 3 provides reference materials regarding development agreements.
65 Included is the City Attorney memorandum dated February 20, 2013, Lynnwood

66 Municipal Code Chapter 1.37; Ordinance No. 2626; and RCW 36.70.B.170 –
67 B210.

68 A development agreement guides development and the responsibilities of the
69 parties. The purpose is to establish a “contract” between the parties to the
70 agreement that will govern development of the property. Approval of a
71 development agreement is a legislative matter requiring a public hearing and
72 action by Council. (RCW36.70B – 210)

73 Cycle 1 provides that the development agreement be completed and recorded by
74 January 30, 2014, and shall provide that development of the property be
75 consistent with the proposal described in the land use applications and
76 environmental review mitigations.

77 The revised preliminary schedule anticipates that the development agreement
78 will be prepared and available for City Council consideration and action no later
79 than June 2013.

80

81 **Development Agreement – Preliminary List of Items, Attachment 4**

82 The development agreement will include the roles and responsibilities between
83 the parties. Many of these items were identified in the EIS process, and the
84 Cycle 1 public hearing and City Council deliberations. Attachment 4 provides a
85 table of items from the EIS, and other items related to project implementation.

86 Staff will begin discussions based upon the items in the table. The table will be
87 used to identify, track, and monitor resolution of the items as the development
88 agreement is prepared for City Council consideration.

89

90 **Planned Action Overview, Attachment 5**

91 The permit process includes adoption of a planned action ordinance to designate
92 the project as a planned action as authorized by the Washington State
93 Environmental Policy Action. Attachment 5 provides reference materials
94 regarding the use of a planned action from Lynnwood Ordinance No. 2943; WAC
95 1911-164, 168, and 172; and RCW 43.21C.031

96 Adoption of a planned action ordinance may be undertaken to streamline
97 environmental review based upon the findings in the environmental impact
98 statement. This approach identifies environmental impacts and provides
99 mitigations for the entire development proposal rather than on a case-by-case
100 review of the project components.

101 The Lynnwood Place Draft Environmental Impact Statement was issued on
102 October 7, 2011; and the Final Environmental Impact Statement was issued on
103 March 30, 2012.

104 The analysis of environmental impacts and mitigation measures is complete for
105 the entire project. Based on development parameters within the EIS,
106 development may proceed if consistent with the assumptions and analysis in the
107 environmental review. The development agreement provides the “contract”
108 between the parties to provide the mitigations established in environmental
109 review.

110

111 **Revised Preliminary City Council Meeting Schedule for Cycle 2, Attachment 6**

112 City Council approved the comprehensive plan and zoning amendments for
113 Lynnwood Place on February 25, 2013. This action completes Cycle 1 of the
114 Permit Review Process.

115
116 The preparation, consideration and action of a development agreement and
117 planned action ordinance for Lynnwood Place may now be initiated as Cycle 2.

118
119 A preliminary schedule for the process was previously provided to City Council in
120 February 2013. This initial schedule was based on the City Council meeting
121 calendar.

122
123 Attachment 6 provides a revised preliminary schedule. This schedule includes
124 the approval date of Cycle 1 and states that Cycle 2 discussions have been
125 initiated.

126
127 Additional time may likely be required to complete the development agreement in
128 Cycle 2. The goal is to complete the development agreement prior to July 2013.
129