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JUN 15 2016

CITY OF KENMORE

SEPA LEAD AGENCY AGREEMENT
BETWEEN
THE CITY OF KENMORE
And
WASHINGTON STATE PARKS
Regarding the
PROPOSED DEVELOPMENT OF SAINT EDWARD STATE PARK
LOCATED AT 14445 JUANITA DRIVE NE IN THE CITY OF KENMORE

I. PARTIES

This SEPA Lead Agency Agreement ("SEPA Agreement") is entered into by the City of Kenmore (the "City") and Washington State Parks ("State Parks"), collectively, the "Parties", pursuant to WAC 197-11-944.

II. PURPOSE

The purpose of this SEPA Agreement is to assign lead agency responsibilities under the State Environmental Policy Act ("SEPA"), chapter 43.21C RCW, and its implementing regulations, chapter 197-11 WAC, for the concept proposal described below, which will be located on State Parks property, but will require development permits from the City.

Saint Edward State Park is a 316-acre day use park that was formerly a Catholic Seminary. The Seminary is listed on the National Register of Historic Places. In addition to the former Seminary building, Saint Edward State Park has 3,000 feet of freshwater shoreline on Lake Washington, trails for hiking and mountain biking, five unsheltered picnic areas, a "big toy" playground, and ball fields, horse shoe pits, and a volleyball area.

The Daniels Real Estate Group, a Seattle-based development firm, submitted a concept proposal to State Parks to rehabilitate the historic Seminary building at Saint Edward State Park. The proposal's goal is to make the building economically viable while retaining its historic character. The proposal anticipates renovation of the building to include overnight accommodations, a restaurant, conference room, public restrooms, and a café. The first floor of the Seminary, which is anticipated to include public restrooms, a café, lobby, and restaurant, will be open to the public. The hotel and conference rooms will be available for public use for a fee. The proposal does not include any modifications to the shoreline, trails, picnic areas, "big toy" playground, or ball fields, horse shoe pits, or volleyball area.

III. PRINCIPLES OF AGREEMENT

A. The Parties Agree To:

1. Work together to ensure consistency and coordination in the development and preparation of SEPA documents, including:

- i. Review of documents for adequacy and completeness;

- ii. Direct preparation of the SEPA threshold determination and EIS, if necessary;
- and
- iii. Identify potential mitigation, if necessary, for project impacts.

2. Work together to involve any other local, state, federal, or tribal agencies and interested parties in the development and review of SEPA documents to ensure a transparent and public process.

3. Work together to identify, as far in advance as possible, actions or problems that might affect the environmental analyses and documentation process.

B. General Duties

1. The City shall act as nominal lead agency pursuant to WAC 197-11-926 and -944. As nominal lead, the City's SEPA ordinance, chapter 19.35 KMC ("Environmental Procedures"), shall apply to the proposal. These procedures include public notice, appeals, and EIS preparation. If an administrative appeal of the threshold determination or adequacy of the final EIS occurs, the process shall be governed by KMC 19.35.160. If a court appeal or administrative agency appeal of either the threshold determination or adequacy of the final EIS is filed, the City shall be the lead agency for such SEPA challenge, with the assistance of State Parks as provided below in Section IV.D.

2. The Parties, either jointly or independently, may determine that consultant(s) are needed to assist in completing the required SEPA analysis and documentation for this proposal. Consultants shall be hired by the City or State Parks pursuant to each agency's governing law. The cost of any such consultants shall be the responsibility of the applicant, unless otherwise agreed by the party that hires the consultant and the applicant, or unless otherwise agreed by the Parties.

3. Comments on SEPA document(s) shall be received or recorded by the City, and the City shall promptly forward copies to State Parks of transcripts, written comments, or electronic comments.

4. As lead agency, the City shall be responsible for preparation and coordination of the SEPA analysis and identification of the responsible official. The City will provide State Parks with drafts of all SEPA analysis and documentation, and will provide State Parks an opportunity to review and comment before finalizing any documents.

5. As lead agency, the City shall be responsible for ensuring compliance with SEPA's public notice, comment, and hearing requirements. WAC 197-11-502, -510, -535 and implemented and applied by KMC 19.35.100.

6. The City shall be solely responsible for ensuring compliance with its comprehensive plan and development regulations.

7. In all other respects, the Parties shall act as partners in meeting the responsibilities of lead agency under SEPA, with equal standing in all decisions to be made, subject to any restrictions or requirements that are consistent with the City's responsibilities as lead agency.

C. Preparing the Analysis

1. It is expected that the applicant will provide all relevant information regarding the proposal, environmental impacts, and potential mitigation.
2. Information provided by the applicant shall be reviewed and supplemented by the City and State Parks, as authorized by law.
3. Any additional analysis identified as necessary by the Parties will be prepared by qualified experts, the cost of which shall be as provided in Section III.B.2.
4. The Parties will endeavor to meet the following benchmarks, but acknowledge that timelines may be affected by appeals or unanticipated issues.
 - i. Review and provide comments on draft documents within one week, unless another timeline is agreed to between the Parties for large, complex documents.
 - ii. Spring 2016: Applicant submits permit applications to City.
 - iii. Spring 2016: Complete SEPA threshold determination.
 - iv. Summer 2016: Complete SEPA compliance, including EIS preparation if necessary.
 - v. Summer 2016: Proposal to City for approval.
 - vi. Fall 2016: Proposal to State Parks Commission for approval

D. Scope/Content

1. Mitigation recommended in the SEPA document(s), if necessary in addition to that proposed by the applicant, shall be identified by the Parties. Mitigation, if necessary, shall be imposed by each agency when the agency makes its substantive, underlying decisions regarding the proposed project. This SEPA Agreement is not intended to limit the City's ability to rely on its comprehensive plan or development regulations for mitigation. WAC 197-11-158.
2. At a minimum, a representative of each party shall review the environmental checklist, if required, and related documentation prior to issuance of all necessary SEPA documents. The Parties will complete this review within one week of receipt of the completed checklist or documentation, unless a longer timeline is agreed to.
3. If an environmental impact statement (EIS) is prepared for the proposal, the Parties shall jointly determine the scope of the EIS and the alternatives to be considered in the EIS so that each party is satisfied that a reasonable range of alternatives is represented. WAC 197-11-448(4). At a minimum, the EIS will include:

- i. No action and reasonable range of alternatives, including an alternative with lower environmental cost or degradation (WAC 197-11-440(5));
- ii. Cumulative impacts analysis;
- iii. Elements of the natural and built environment identified in WAC 197-11-444 that may be impacted by the proposal;
- iv. Environmentally sensitive or special areas, habitat, other laws, or public health and safety identified in WAC 197-11-330(3)(e) and 197-11-440(6)(d), (e), that may be impacted by the proposal; and
- v. Proposed mitigation.

4. The Parties may adopt, incorporate by reference, or add an addendum to existing analysis to reduce paperwork and the accumulation of background data. WAC 197-11-402(7); 197-11-600. Any environmental documents prepared for the Seminary proposal may be used by the Parties as an existing environmental document for separate proposals. As lead agency, the City shall independently review the content of the existing documents and determine whether the information and analysis is relevant and adequate. RCW 43.21C.034. The City shall provide State Parks an opportunity to comment on the adequacy of existing documents before using existing environmental documents.

IV. DECISION MAKING AND DISPUTE RESOLUTION

A. The Parties agree to attempt to make decisions by consensus throughout the SEPA process in regards to scope, content, and timing of all SEPA documents. The Parties recognize that the final SEPA document(s) must contain sufficient environmental analysis for informed decision-making of all agencies with jurisdiction. Therefore, information regarding areas of environmental concern, potential mitigation, and reasonable alternatives suggested by either party shall be included in the document(s).

B. If either party cannot agree on an issue and the lack of consent would prevent their approval of the SEPA documents or otherwise prevent them from meeting their duties prescribed above in Section III.B., they may provide written notification to the other party, identifying the issue under dispute and a suggested resolution. The recipient party shall have the option to agree to the suggested resolution, offer an alternate resolution, or initiate dispute resolution. If dispute resolution is unsuccessful, the Parties may agree to terminate this SEPA Agreement.

C. If this SEPA Agreement is dissolved, each Party will be assigned lead agency responsibility for the portion of the proposal under their jurisdiction pursuant to WAC 197-11-922 - 938.

D. Consistent with Section III.B.1, each party will participate in any administrative appeal under KMC 19.35.160, or any judicial appeal, which challenges the environmental review, to the extent the appeal involves an analysis prepared by that party. Either party may, at its discretion, provide additional support. In the event of an appeal, the Parties will cooperate and share responsibilities and

decision-making authority equally, consistent with the City's responsibilities as lead agency for the appeal. Each party will be responsible for its own attorney fees and costs.

V. OTHER PROVISIONS

- A. Except as provided in this SEPA Agreement, nothing in this SEPA Agreement shall be construed as limiting or affecting in any way the authority or legal responsibilities of either of the Parties. This SEPA Agreement is not intended to affect environmental review previously conducted by State Parks, or the separate proposal by the City regarding ballfield development.
- B. Nothing in this SEPA Agreement binds the Parties to perform beyond their respective authorities.
- C. Nothing in this SEPA Agreement requires the Parties to assume or expend funds in excess of available appropriations, authorized by law. Specific activities that involve the transfer of money, services, or property between the Parties shall require execution of separate agreements or contracts.
- D. Amendments to this SEPA Agreement are effective upon written approval of the Parties.
- E. This SEPA Agreement shall become effective upon signature by both Parties. This SEPA Agreement may be executed in counterparts, each of which will be considered an original document.
- F. Either party may terminate this SEPA Agreement by written notice to the other party, which will be effective 30 days after receipt of the written notice. Termination also will occur after completion or withdrawal of the project.
- G. The following persons shall be the designated contact for all communications regarding this SEPA Agreement. The contact person may be updated by written notice.

CITY OF KENMORE

Bryan Hampson
Development Services Director
18120 68th Avenue NE
Kenmore, WA 98028
(425) 398-8900
BHampson@kenmorewa.gov

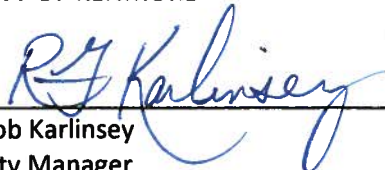
STATE PARKS

Peter Herzog
Assistant Director, Parks Development
1111 Israel Road SW
Tumwater, WA 98501-6512
(360) 902-8652
Peter.Herzog@parks.wa.gov

- H. This SEPA Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. The venue of any action brought to enforce this SEPA Agreement shall be in the Superior Court for Thurston County, or the Superior Court for King County if agreed to by the Parties.
- I. If either party receives a public disclosure request for project documents prior to termination of this SEPA Agreement, it shall notify the other party of the request within three business days.

This SEPA Agreement is executed by the persons signing below, who warrant they have the authority to execute this SEPA Agreement.

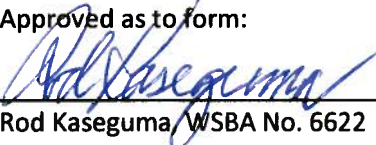
CITY OF KENMORE



Rob Karlinsey
City Manager


Date: June 1, 2016

Approved as to form:



Rod Kaseguma, WSBA No. 6622

WASHINGTON STATE PARKS



Peter Herzog
Assistant Director, Parks Development

Date: 6-9-2016



Martha Wehling, WSBA No. 36295