



# City Of Kenmore, Washington

**COPY**

December 15, 2015

John C. McCullough  
McCullough Hill Leary, PS  
701 Fifth Avenue, Suite 6000  
Seattle, WA 98104

Dear Jack,

Thank you for your letter dated September 29, 2015 requesting an extension of the Commercial Site Development Permit (CSDP) and Transportation Mitigation Agreement (TMA) for the Lakepointe project to July 31, 2017. You have made this request on behalf of Lakepointe, Inc., Pioneer Towing Company, and Weidner Apartment Homes (collectively referred to in this letter as Weidner). Both the CSDP and TMA are set to expire on December 31, 2015.

The City's prior extensions of the CSDP and TMA were granted to allow the City, Lakepointe, Inc., and Pioneer Towing Company additional time to develop a work program, schedule and process for modifying the Lakepointe project requirements and conditions. Your letter states that Weidner Apartment Homes has recently contracted to purchase the Lakepointe property and Weidner is conducting site feasibility and evaluating development options.

To allow Weidner to continue the feasibility assessment, the City will grant a six-month extension of the CSDP and TMA through June 30, 2016 upon satisfaction of the following condition:

1. On or before December 31, 2015, Phase I of a transportation access charrette must be held to conduct a multimodal infrastructure needs assessment. Weidner has contracted, with the City's concurrence, the Cedar River Group to act as facilitator for the charrette. Weidner must pay for the costs of Weidner's charrette consultants, the charrette facilitator, and up to \$10,000 of the City's charrette consultant costs that exceed \$20,000. The first \$20,000 of the City's charrette consultant costs will come from the \$10,000 contribution from Pioneer Towing Company, Inc. that was required under Section V.B.2 in the Pioneer Towing Site Restoration Shoreline Substantial Development Exemption, Grading Permit, and SEPA Determination dated December 19, 2011 (File# PRJ2011-095) as well as the City's match required in that same permit condition. The City's charrette consultant costs, for the purposes of this condition, are for both phases of the charrette (also see #3 below) and will be related to preparing for, attendance at, and follow up from the charrette. Costs will still be billed and

allocated as described in this condition. Note: Phase I of the charrette occurred on December 2, 2015 and thus met this condition.

If Weidner satisfies condition #1 above and the City grants the extension of the CSDP and TMA, the extension will terminate on February 1, 2016 unless Weidner satisfies the following condition on or before January 31, 2016:

2. Weidner must submit a signed letter of agreement that (1) commits Weidner to pay for ongoing City project manager and consultant costs related to the Lakepointe project and incurred during the CSDP/TMA extension periods, and (2) establishes a maximum amount of payment for such costs that is agreed to by Weidner and the City. These costs shall be in addition to charrette costs described in condition #1 above and #3 below. If Weidner fails to submit this letter of agreement by the deadline, the City Manager may, in his sole discretion, authorize additional time to comply with this condition. The City and Weidner teams will review the City's consultant costs, tasks, and accomplishments quarterly.

If Weidner satisfies conditions #1 and 2 above and the extension is effective through June 30, 2016, the City will grant a second six-month extension to December 31, 2016 if Weidner satisfies the following two conditions:

3. The City and Weidner teams must jointly complete the second phase of the transportation access charrette (or otherwise agreed upon process) by January 31, 2016. The goal of this second phase is to identify proposed locations and configuration(s) of Lakepointe multimodal transportation infrastructure as well as other potential multimodal transportation improvements that will improve downtown Kenmore circulation and connection between Lakepointe and Kenmore's downtown on the north side of SR 522.
4. On or before June 15, 2016 Weidner must provide the following information to the City:
  - a. A conceptual site plan for a proposed Lakepointe development.
  - b. A draft timeline for project development, including permitting, development agreement negotiations (if needed), commencement of construction, and construction phasing.

The two extensions described above also are subject to the nine conditions of the City's May 19, 2011 extension letter to you and the four conditions of the City's June 14, 2013 extension letter to you, both of which are related to the CSDP and the TMA.

The City recognizes that this is a complex, multi-year project requiring significant advance planning. Accordingly, it is anticipated that Weidner may request additional extensions of the CSDP and TMA. As a result, additional CSDP and TMA extension(s) may be requested but are neither granted nor guaranteed at this time.

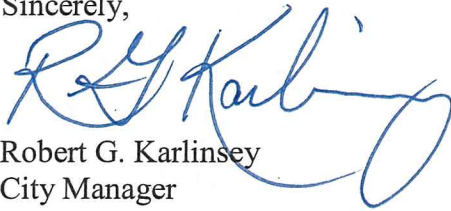
If Weidner requests additional extension(s), such requests must be submitted before the extension terms expire, and the City and Weidner will discuss additional progress and

conditions required for any further extension(s). Examples of demonstrated progress needed during the next 12 months to justify additional extension(s) may include:

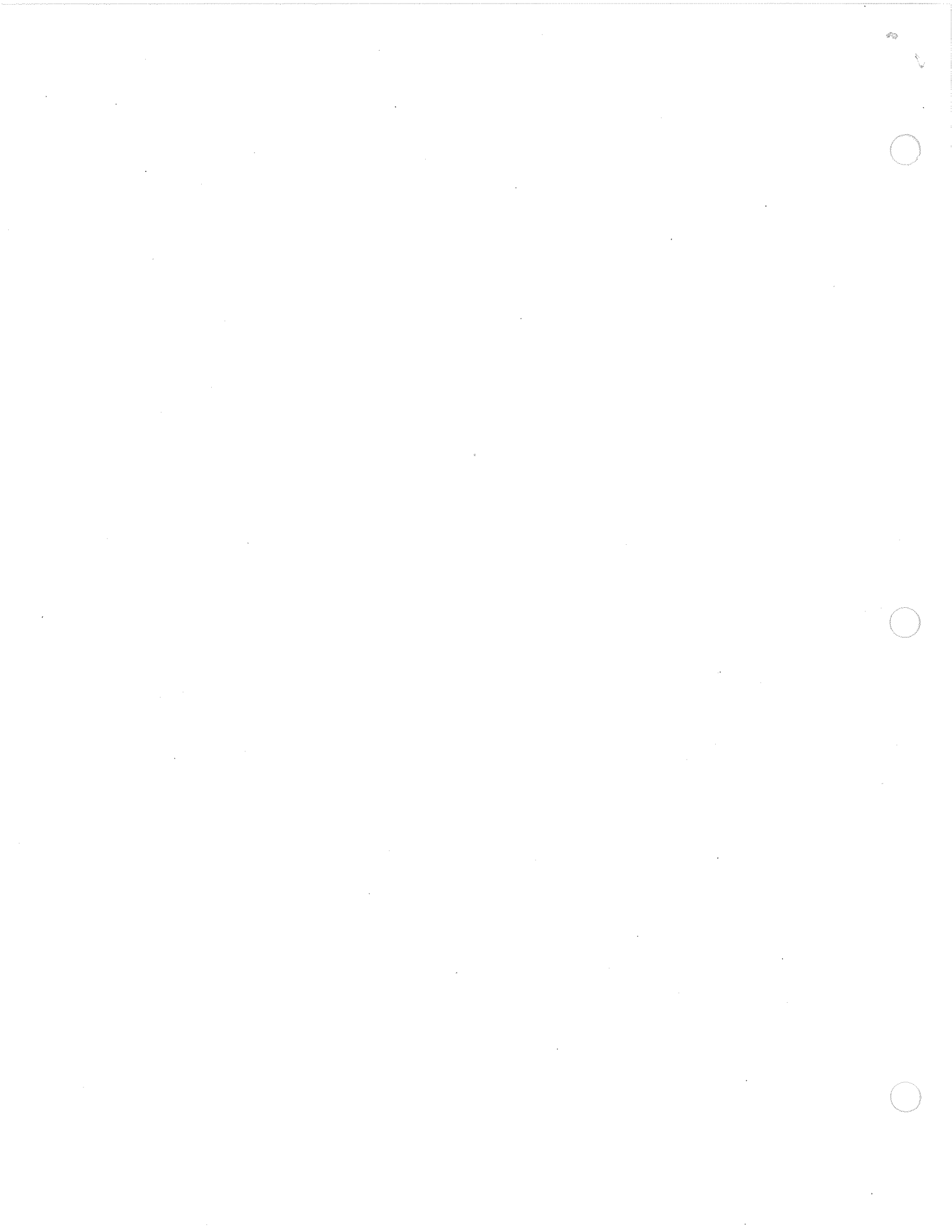
- Identification of permits and process needed for project development.
- Provision of a comparison of current permitted Lakepointe project conditions to potential permit conditions of the upcoming development proposal, particularly highlighting where any requirements or conditions may need to be modified.
- Obtaining of a written agreement from the owner of Lot B (Glacier property) with respect to (1) construction and operation of Lakepointe Way and other transportation and other infrastructure improvements on or impacting Lot B (see condition 1 of May 19, 2011 letter to you), and (2) any proposed amendments to the TMA.
- Commencement of development agreement negotiations.

The City is committed to facilitating a successful development project, and we look forward to continuing working with you. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,



Robert G. Karlinsey  
City Manager  
City of Kenmore



# McCULLOUGH HILL LEARY, PS

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September 29, 2015

VIA ELECTRONIC MAIL

Mr. Rob Karlinsey, City Manager  
City of Kenmore  
6700 N.E. 181<sup>st</sup> Street  
P.O. Box 82607  
Kenmore, WA 98028-0607

Re: LakePointe Project, File No. L010022  
Request for CSDP and TMA Extension

Dear Rob:

We are writing on behalf of Lakepointe, Inc., Pioneer Towing Company and Weidner Apartment Homes ("Weidner") to seek an extension of the term of the Commercial Site Development Permit ("CSDP") and Transportation Mitigation Agreement ("TMA") for the Lakepointe property to July 31, 2017, consistent with our recent discussions.

As you know, Weidner has recently contracted to purchase the Lakepointe property and is evaluating existing entitlements, market conditions, transportation issues, and development options. Weidner understands the importance of this site to the City of Kenmore and looks forward to continuing productive discussions with staff. Given the complex history here, and the fact that a developer has now been identified, an additional extension of the CSDP and TMA is necessary to allow project-level planning to occur.

On May 19, 2011, the City extended the CSDP to December 31, 2015, subject to nine enumerated conditions. On June 14, 2013, the City extended the TMA to December 31, 2015, subject to the original nine conditions, plus three additional conditions. One of the additional conditions requires execution of an addendum to the TMA. This addendum is intended to address issues and ramifications of deleting Lot B (the Glacier property) from the TMA, with an expectation that an updated proposal will include ways to preserve a connected promenade and viewpoint for the project.

We agree that such an addendum is necessary but believe that it is premature until additional project-level review can be conducted. Weidner is in the process of developing the information necessary to support the addendum and will be able to submit that information and a proposed site plan to the City by the proposed extension deadline of July 31, 2017.



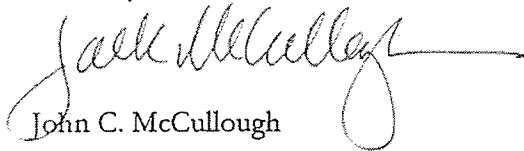
Mr. Rob Karlinsey, City Manager  
September 21, 2015  
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We have attached a recent analysis prepared by Transpo Group in support of this extension request. This analysis confirms that traffic volumes in the SR522 corridor have generally decreased to levels below the 1997 existing traffic counts on which the EIS was based.

The requested extension of the CSDP and TMA will provide the breathing room necessary for Weidner to work with you, adjoining property owners, affected agencies and others to create a viable site plan, identify necessary amendments to conditions of project approval, and develop and memorialize an entitlement schedule.

Thank you for your attention to this request.

Sincerely,



John C. McCullough

cc: Weidner Apartment Homes  
Gary Sergeant





## MEMORANDUM

**Date:** September 2, 2015 **TG:** 14388.00

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**To:** Jack McCullough – McCullough Hill Leary

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**From:** Dan McKinney, Jr  
 Jesse Birchman, PE, PTOE

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**cc:** Harold Moniz - CollinsWoerman

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**Subject:** Lakepointe Historical Volume Comparison

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The purpose of this memorandum is to provide an overview of recent traffic volume growth trends adjacent to the proposed Lakepointe project site. Historical count data adjacent to the project site was reviewed to establish recent growth patterns in weekday AM and PM peak hour traffic volumes relative to current traffic counts.

The previous Lakepointe Master Plan analysis assumed that existing 1997 traffic volumes would grow at a rate of 2.0 percent per year. The data and annual growth rates at the SR 522 / 68th Avenue NE presented in the EIS and other previous volume comparisons are summarized in Tables 1-3 for the intersection as a whole, the east leg of the intersection, and the west leg of the intersection, respectively, for both weekday AM and PM peak hours where data was available.

**Table 1. SR 522 / 68th Avenue NE Intersection Traffic Volume Comparison**

Table Heading	Total Entering Volume	Change from 1997	Annual Growth Rate
<b><u>AM Peak Hour</u></b>			
1997 <sup>1</sup>	4,450	-	-
1999 <sup>1</sup>	4,425	-25	-0.2%
2013 <sup>2</sup>	4,200	-250	-0.4%
<b><u>PM Peak Hour</u></b>			
1997 <sup>1</sup>	5,470	-	-
1999 <sup>1</sup>	4,980	-490	-4.5%
2003 <sup>1</sup>	4,975	-495	-1.6%
2013 <sup>2</sup>	5,095	-375	-0.4%
2015 <sup>3</sup>	4,995	-475	-0.5%

1. Traffic volumes presented in Transpo November 8, 2008 memorandum (Lakepointe – Commercial Site Development Permit Extension).
2. Traffic volumes presented in Kenmore Village Apartments TIA (aka – Spencer 68, November 2013).
3. Traffic volumes collected in July 2015.

Table 1 shows that the traffic volumes at the SR 522 / 68th Avenue NE intersection has experienced negative growth (a decrease) of up to approximately a half percent per year during the weekday AM peak hour and of approximately a half percent to four and a half percent per year during the weekday PM peak hour.



**Table 2. Traffic Volume Comparison on East Leg of SR 522 / 68th Avenue NE**

Table Heading	Total Volume on East Leg	Change from 1997	Annual Growth Rate
<b><u>AM Peak Hour</u></b>			
1997 <sup>1</sup>	2,775	-	-
1999 <sup>1</sup>	2,845	+70	+0.5%
2013 <sup>2</sup>	2,665	-110	-0.3%
<b><u>PM Peak Hour</u></b>			
1997 <sup>1</sup>	3,595	-	-
2002 <sup>1</sup>	3,370	-223	-1.3%
2013 <sup>2</sup>	3,250	-345	-0.6%
2015 <sup>3</sup>	3,215	-380	-0.6%

1. Traffic volumes presented in Transpo November 8, 2008 memorandum (Lakepointe – Commercial Site Development Permit Extension).
2. Traffic volumes presented in Kenmore Village Apartments TIA (aka – Spencer 68, November 2013).
3. Traffic volumes collected in July 2015.

Table 2 shows that the traffic volumes on the east leg at the SR 522 / 68th Avenue NE intersection has experienced little to negative growth (a decrease) during the weekday AM peak hour with growth ranging from a half percent to approximately a negative half percent. During the weekday PM peak hour the traffic volumes on the east leg of the SR 522 / 68th Avenue NE intersection experienced negative growth ranging from approximately a half percent to one and a half percent per year.

**Table 3. Traffic Volume Comparison on West Leg of SR 522 / 68th Avenue NE**

Table Heading	Total Volume on West Leg	Change from 1997	Annual Growth Rate
<b><u>AM Peak Hour</u></b>			
1997	3,570	-	-
2013	3,530	-40	-0.1%
<b><u>PM Peak Hour</u></b>			
1997 <sup>1</sup>	4,475	-	-
2013 <sup>2</sup>	4,125	-350	-0.5%
2015 <sup>3</sup>	4,015	-460	-0.6%

1. Traffic volumes presented in Transpo November 8, 2008 memorandum (Lakepointe – Commercial Site Development Permit Extension).
2. Traffic volumes presented in Kenmore Village Apartments TIA (aka – Spencer 68, November 2013).
3. Traffic volumes collected in July 2015.

Table 3 shows that the traffic volumes on the west leg at the SR 522 / 68th Avenue NE intersection has experienced negative growth (a decrease) during both the weekday AM and PM peak hours with growth ranging from approximately zero to a half percent per year.

Generally, there was shown to be negative annual growth (a decrease) in traffic volumes at the SR 522/68th Avenue NE intersection relative to the 1997 traffic counts, looking at the intersection as a whole as well as at the east and west legs of the intersection.

