



The City Of Kenmore

P.O. Box 82607 • Kenmore, Washington 98028-0607

December 4, 2006

Mr. Jack McCullough
McCullough Hill, PS
701 Fifth Avenue, Suite 7220
Seattle, WA 98104

Re: LakePointe Project Commercial Site Development Permit Extension

Dear Mr. McCullough:

The City of Kenmore has considered your letter dated November 9, 2006 requesting an extension of the Lake Pointe Commercial Site Development Permit (CSDP). In your letter, you request a 24-month extension to December 31, 2008 of the deadline to submit a building permit application for some portion of Phase I of the LakePointe project.

Extensions of Commercial Site Development Permit Applications are governed by KMC 18.90.070 (formerly KCC 21A.41.100). Section C of this section states that:

The director may grant one or more extensions of the time limits..., each of a duration determined by the director, if the following findings are made:

1. If initial building permits have not been submitted or the project has not been completed due to causes beyond the applicant's control, such as litigation, acts of God, unanticipated site conditions or adverse economic market conditions;
2. The applicant has shown a good faith effort to commence or complete the project within the time previously allotted;
3. Conditions identified as part of SEPA or other permit processes remain appropriate to address project impacts. The Director has the authority to establish additional conditions designed to address incremental changes in project impacts arising or occurring as a result of any extensions of time; and
4. The period of the extension granted is reasonable in light of the conditions warranting the extension and the incremental changes, if any, in project impacts.

Background

The current deadline for submittal of a building permit application for some portion of phase I of the LakePointe project is December 31, 2006. This date was the result of a six-month extension issued by the City on June 26, 2002, an eighteen month extension issued by the City on January 30, 2003 and a fourteen month extension issued by the City on August 6, 2004.

Findings

1. Delay due to causes beyond the applicant's control.

Since August 2001, there has been a severe contraction in the overall development market. Vacancy rates for existing office developments in the Puget Sound make the development of new office space infeasible, and the decline of the retail and hospitality industries have made the financing for new hotel and large-scale retail projects extremely difficult. While the overall development market in the Puget Sound area has been gradually improving this improvement has not yet enhanced development prospects in the Kenmore market. In addition, the regional market is only beginning to see a reversal of the last several years' rental rate erosion in the multi-family market which has complicated the prospect of securing financing for that type of development. Each component of this mixed-use project has suffered considerably in the past two years at a regional and/or local market level, at the same time as capital investment in the real estate industry has declined markedly. These economic hardships have made this project relatively infeasible to finance in the current capital climate.

The applicant notes market related construction and design problems not anticipated by the applicant. The integrated mixed-use design reduces the flexibility of the Project to respond to market challenges. The applicant is evaluating the possibility of modification to the Project design and adjustment to the mix of project uses to try and reduce the interdependence of the internal Project phases. The applicant is also exploring alternative construction scenarios for the Project in order to reduce Project cost.

In early 2002, the adverse economic conditions resulted in the departure of First Wellington Crown Corporation, the joint-venture developer for the Project. The applicant has worked with several developers over the past four years. The applicant notes that a joint venture partnership with a new local development partner has been entered and the new partner is in the process of due diligence review of the project.

Economic conditions in the regional and local market and the hardships created are beyond the control of the applicant and therefore this request meets the first condition for the granting of an extension.

2. Good Faith Effort.

Since the initial issuance of the Commercial Site Development Permit (CSDP) in 1998, the applicant and his original partner have expended significant resources in defending the project against appeals, securing a consent decree from the Department of Ecology, and architectural, engineering, consulting and legal services associated with development of schematic plans for the Project. The City has met with or spoken to the applicant or other representatives of the development team on numerous occasions regarding various details of the project. The applicant also indicates that significant efforts have been made to secure financing commitments for the Project and tenant commitments for the Project. The applicant notes that due to adverse market conditions at the regional and local level the applicant's original partner departed from the Project. Further, due diligence review underway by the applicant's new development partner would make it ineffective to devote further resources to complete construction drawings.

The applicant and his development team have made significant good-faith efforts to commence the project since the initial issuance of the CSDP and therefore this request meets the second condition for the granting of an extension.

3. Appropriateness of Conditions.

The CSDP includes numerous conditions generated by the original SEPA and permit review process for the Project.

Transportation. Transportation-related mitigation for the Project is set forth in the Transportation Mitigation Agreement, which is Attachment E to the CSDP. This Agreement imposes over \$15 million in traffic and transportation-related mitigation obligations on the Project. This analysis and mitigation was based on an assumption that trip generation from proposed uses in the Project would be approximately 13,600 average daily trips. The City has reserved authority to require additional review if trip generation levels from the Project are anticipated to exceed this level.

Additional traffic analysis for the Project was conducted subsequent to the CSDP issuance, during the extensive hearing Examiner proceedings in 1999 and 2000. The City issued a Notice of Decision in May 26, 2000 based upon the additional traffic work, which assumed full build-out through 2005. In addition, this analysis (and the hearing process with which it was associated) resulted in the adoption by the applicant of several additional mitigation measures.

The applicant's request for an extension, including the 11/8/06 traffic assessment completed by the Transpo Group, was considered by the City's traffic consultant Ron Loewen of Jones and Stokes (see attached memo dated 11/28/06). The traffic assessment completed by the Transpo Group was based

on data collected prior to 2004 and the conclusion is that traffic volumes are lower than the Lakepointe Environmental Impact Statement (EIS) projected and would need to grow at an unattainable rate to exceed the 2005 EIS forecast. Mr. Loewen compared 2006 traffic counts at the intersection of 61st Ave NE and SR522 with the Lakepointe EIS projected volumes. Based on the Transpo Group report and Mr. Loewen's analysis the City concurs that an extension can be granted without requiring further traffic analysis or consideration of mitigation measures.

However, please note that prior to consideration of another permit extension additional AM and PM peak hour turning movement traffic counts must be taken at the intersections of 68th Avenue NE and SR 522, NE 170th Street and Juanita Drive NE; and 61st Avenue NE and SR 522. In addition a three day 24 hour roadway count must be taken on SR 522 west of 61st Avenue NE and west of 68th Avenue NE, and 68th Avenue NE south of NE 175th Street NE. These counts must be taken between March and October.

Shoreline Enhancement. This request is to extend the existing permit and will not change the project in a manner that would necessitate changes to the existing conditions placed on the project, nor have background conditions changed significantly since issuance of the CSDP. Thus, the existing mitigating conditions remain appropriate to address Project impacts.

Per a letter dated 8/10/06, the City agreed to grant an extension of the period within which construction must begin under the Shoreline Permit issued for the LakePointe Project to August 14, 2007 pursuant to WAC173-27-090.

Drainage. The Project review determined that, as mitigated, the Project would not result in adverse impacts in this area. This request is to extend the existing permit and will not change the project in a manner that would result in new additional impervious surfaces, or any uses that would increase or intensify drainage flows. The City will review final drainage plans for the Project when they are submitted. Thus, the existing mitigating conditions remain appropriate to address Project impacts.

Hazardous Waste. Since the issuance of the CSDP, the applicant has obtained consent decree approval (with the State Department of Ecology) from the courts. No new or modified uses are proposed that would alter the scope of impacts addressed in the Project. Thus, the existing conditions are appropriate to address impacts.

Sensitive Areas. The Project review included a several-year-long comprehensive study of habitat and sensitive area issues associated with the Project site. All impacts of the Project were thoroughly reviewed and mitigated. This request is to extend the existing permit and will not change

the project in a manner that would result in new or modified uses that would alter the conclusions reached in the Project review. Thus, the existing mitigating conditions remain appropriate to address Project impacts.

Other Issues. The extensive conditions applicable to the Project more than adequately mitigate any anticipated impacts in other areas. This request is to extend the existing permit and will not change the project in a manner that would necessitate changes to the existing conditions placed on the project. Thus, the existing mitigating conditions remain appropriate to address Project impacts.

The conditions identified as part of the initial permit issuance and as a part of subsequent permit decisions remain appropriate to address project impacts. No additional project impacts will result due to the requested extension and therefore no additional conditions are necessary. This request therefore meets the third condition for the granting of an extension.

4. Period of Extension.

The applicant indicates that the conditions warranting the requested extension will likely require two years or more to correct itself. The applicant has identified a new joint-venture partner and hopes to conclude an arrangement with that party in 2007. The new developer will need a period of time to reevaluate the mix of uses in the Project under new market conditions, and to prepare a schematic design for the Project. During this time, financing support for predevelopment and construction will also be identified. Finally, building permit applications will need to be prepared for submittal. The applicant anticipates that these activities will require another two years and is hopeful that initial building permit applications can be prepared for submittal by the end of calendar 2008.

The requested 24 months extension (to December 31, 2008) of the deadline for the submittal of a building permit application for some portion of Phase I of the LakePointe project is reasonable in light of the conditions warranting the extension. This request therefore meets the fourth condition for the granting of an extension.

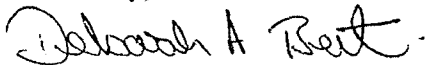
Determination

As indicated earlier in this letter, "the director may grant one or more extensions of the time limits..., each of a duration determined by the director..." if findings can be made that the four identified conditions can be met. As outlined in this letter, your request to extend the deadline to December 31, 2008 for the submittal of a building permit application for some portion of Phase I of the LakePointe project meets all of the identified conditions. **The City of Kenmore has considered your request and hereby grants a 24 month extension (to**

December 31, 2008) for the submittal of a building permit application for some portion of Phase I of the LakePointe project.

The City looks forward to working with you to bring the LakePointe project to a successful conclusion. If you have any questions, please feel free to call me at 425-398-8900.

Sincerely,



Deborah A Bent, AICP
Community Development Director

cc: Steve Anderson, City Manager

MCCULLOUGH HILL, PS

November 9, 2006

RECEIVED
NOV 13 2006
CITY OF KENMORE

Ms. Debbie Bent, Director
Department of Community Development
6700 N.E. 181st Street
P.O. Box 82607
Kenmore, WA 98028-0607

Re: LakePointe Project, File No. L010022

Dear Ms. Bent:

We are writing on behalf of LakePointe, Inc. and Pioneer Towing Company to request an extension of the above-referenced Commercial Site Development Permit (the "CSDP") pursuant to KCC Sec. 21A.41.100 (as amended). Under this Code section, an extension for the CSDP should be approved based on satisfaction of the following conditions:

1. If initial building permits have not been submitted or the project has not been completed due to causes beyond the applicant's control, such as litigation, acts of God, unanticipated site conditions or adverse economic market conditions;
2. The applicant has shown a good faith effort to commence or complete the project within the time previously allotted;
3. Conditions identified as part of SEPA or other permit processes remain appropriate to address project impacts. The Director has the authority to establish additional conditions designed to address incremental changes in project impacts arising or occurring as a result of any extensions of time; and
4. The period of the extension granted is reasonable in light of the conditions warranting the extension and the incremental changes, if any, in project impacts.

Status

Section G.1 (page 62) of the CSDP provides that the term of the permit shall be governed by the approved Phasing Plan, which is attached as Exhibit D to the CSDP. Section 3.b(3) of the Phasing Plan provides that the applicant "shall submit a building permit application for some portion of Phase 1 within one year of the date of approval of the Master Plan." The Master Plan was approved, with the CSDP, in August 1998.

Section 3.b(4) of the Phasing Plan, however, provides for tolling of this one-year period:

The time period listed in subsection (3) above shall be tolled during the pendency of an administrative or judicial appeal of the Commercial Site Development Permit or Shoreline Substantial Development Permit, during the pendency of litigation related to the project or to the property comprising the project site, and in the even of force majeure. Force majeure means extraordinary natural elements or conditions, war, riots, King County labor disputes or other causes beyond the reasonable control of the applicant.

In accordance with this section, the City previously determined that the one-year period set forth in subsection (3) for the filing of the first building permit for any portion of Phase 1 was tolled. First, an administrative appeal of the CSDP was filed in 1998, and was not ultimately resolved until August 2000. Second, the applicant was seeking approval of a clean-up action plan from the Department of Ecology ("Ecology") and negotiating the terms and conditions of a settlement of litigation to be filed by Ecology concerning the clean-up of contamination at the project site. This litigation settlement took the form of a consent decree, which was entered on August 14, 2001.

The City determined that the consent decree process overseen by Ecology constituted both "litigation related to the property comprising the project site" and "force majeure" (i.e., a cause of delay beyond the reasonable control of the applicant). Resolution of the consent decree process is an express condition of the CSDP. The proponent did not pursue an independent remedial action, but agreed with Ecology's view that institution of litigation and settlement of issues via a consent decree was the appropriate course for this site. In addition, because the project site has a "number one" ranking on Ecology's priority clean-up list, development of the project was not financeable, absent an approved consent decree. The City determined that this constituted a cause for delay in project development beyond the reasonable control of the proponent. Thus, the one-year period under Section G.1 of the CSDP commenced on August 14, 2001. The City thereafter extended this period to December 31, 2006.

Grounds for Extension

The grounds supporting this request for extension are described below:

1. Delay Beyond Applicant's Control. Since the date of the most recent CSDP extension in August 2004, the overall development market in the Puget Sound area has been gradually improving. So far, this improvement has led to some new development projects in the Seattle and Bellevue CBDs. This improvement has not penetrated throughout the region, however, and has not enhanced development prospects in the Kenmore market. Effective leasing rates for office developments in the Kenmore market continue to make the development of new office product in this submarket infeasible, and the financing for new hotel and large-scale retail projects in this submarket remains problematic. Furthermore, the regional market is only beginning to see a reversal of the last several years' rental rate erosion in the multifamily market, which complicates the prospect of financing for that product area. In summary, each component of the LakePointe mixed-use project has continued to suffer considerably in the past two years at a regional and/or local market level. These economic hardships

have made the LakePointe project relatively infeasible to finance in the current market climate, and additional time is required to allow the local real estate market to improve for each of the use categories projected for this development.

Furthermore, as we have noted before, the integrated mixed-use design of the Project reduces the flexibility of the Project to respond to market challenges such as those described above, and therefore increases the vulnerability of the Project to adverse market conditions in any given product area (i.e., office, residential, lodging, retail). In this way, Project design created unanticipated problems for the applicant. To increase the flexibility of the Project to respond to these market conditions, the applicant is evaluating the possibility of modifications to Project design and adjustment to the mix of project uses. Such modifications would seek to reduce the interdependence of internal Project phases, thereby increasing the potential for phased development of the Project. At the same time, the applicant is exploring alternative construction scenarios for the Project, in order to reduce overall Project cost. These market-related construction and design problems were not anticipated by the applicant, and warrant the granting of the requested extension.

As we noted two years ago, the above-referenced adverse economic conditions resulted in the departure of First Wellington Crown Corporation, the joint-venture developer for the Project. Wellington had expended two years and millions of dollars in pursuit of the development of the Project. Wellington's departure necessitated the search for a new joint-venture partner for development of the Project. As you know, the applicant has worked with several developers in the last two years. One of these prospective developers devoted several months to its investigation of project feasibility, reaching the conclusion that current local market conditions do not support development of the project at this time. The applicant is pleased to report, however, that it has entered into a joint venture partnership with a new local development partner, one with substantial experience in this region in the development of office and residential projects. This new partner is in the process of due diligence review of the project.

These economic hardships are significant, are beyond the control of the applicant, and warrant the granting of the requested extension.

2. Good Faith Effort. As you are aware, the CSDP approval for the Project is not a "construction level" approval (i.e., development of more detailed schematic and construction plans are required prior to project development). In the last several years (since initial issuance of the CSDP), the applicant and its original partner (and other *prospective developers*) have expended millions of dollars for architectural, engineering, consulting, environmental, and legal services associated with the development of such schematic plans for the Project. In addition, during this period of time significant efforts have been made to secure financing commitments for the Project and tenant commitments for the Project. Unfortunately, as noted above, the intervention of adverse market conditions, both at the regional and local level, interrupted this process

and led to the departure of the applicant's original joint venture partner. Because of these conditions, and the due diligence review currently underway by the applicant's new development partner, it would be imprudent and ineffective to devote further resources to completing construction permit drawings for the Project, since those drawings will need to be generated and approved by such development partners.

Nevertheless, the applicant and its team have made significant good-faith efforts in the last several years (and previous to that) to commence the Project construction permitting within the time allotted in the CSDP. These efforts included the completion in 2004 of the Phase 1 shoreline enhancement work along the Sammamish River shoreline of the project site.

3. Appropriateness of Conditions. As you are aware, the CSDP includes some 20 pages of specific conditions (and several additional appendices setting forth further conditions) generated by the original SEPA and permit review process for the Project.

Transportation. Transportation-related mitigation for the Project is set forth in the Transportation Mitigation Agreement, which is Attachment E to the CSDP. This Agreement imposes millions of dollars in traffic and transportation-related mitigation obligations on the Project. This analysis and mitigation was based on an assumption that trip generation from proposed uses in the Project would be approximately 13,600 average daily trips. General Condition B. The City has reserved authority to require additional review if trip generation levels from the Project are anticipated to exceed this level. No new or modified uses are proposed for the Project that would be likely to increase such traffic levels.

Additional traffic analysis for the Project was conducted subsequent to the CSDP issuance, during the extensive Hearing Examiner proceedings in 1999 and 2000. This analysis is in the City's Project files. In particular, the May 26, 2000 Notice of Decision from the City includes several of these additional reports. This additional analysis updated Project traffic review for full build-out. In addition, this analysis (and the hearing process with which it was associated) resulted in the adoption by the applicant of several additional mitigation measures, beyond those incorporated in the original CSDP decision.

The applicant has engaged The Transpo Group to evaluate existing conditions on the SR-522 corridor and to compare those conditions to the then-existing and projected traffic volumes on which the project EIS and mitigation was based. *A copy of this report is attached. It indicates that recent traffic volumes on the SR-522 corridor are actually substantially less than the assumed volumes which formed the basis for EIS and mitigation review for the project. For this reason, additional mitigation in the area of transportation is not necessary in connection with the proposed permit extension.*

Shoreline Enhancement. No modifications to the Project are proposed that would alter the existing Project conditions, nor have background conditions changed significantly since issuance of the CSDP (other than the applicant's implementation of certain shoreline enhancement improvements in 2004). Thus, existing project conditions are appropriate to address Project impacts.

Drainage. The Project review determined that, as mitigated, the Project would not result in adverse impacts in this area. The Project does not propose any new additional impervious surfaces, or any uses that would increase or intensify drainage flows. The City will review final drainage plans for the Project when they are submitted. Thus, existing conditions are appropriate to address Project impacts.

Hazardous Waste. Since the issuance of the CSDP, the applicant has obtained consent decree approval (with Ecology) from the courts. In addition, no new or modified uses are proposed that would alter the scope of impacts addressed in the Project review. Thus, existing conditions are appropriate to address Project impacts.

Sensitive Areas. The Project review included a several-year-long comprehensive study of habitat and sensitive area issues associated with the Project site. All impacts of the Project were thoroughly reviewed and mitigated. No new or modified uses are proposed that would alter the conclusions reached in the Project review. Thus, existing conditions are appropriate to address Project impacts.

Other Issues. The extensive conditions applicable to the Project more than adequately mitigate any anticipated impacts in other areas. Thus, existing conditions are appropriate to address Project impacts.

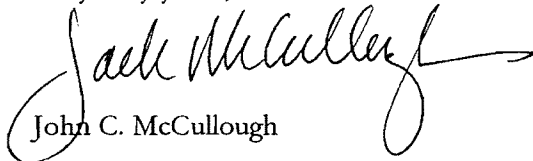
4. Period of Extension. The conditions warranting the requested extension is likely to require two years or more to correct itself. The applicant has identified a new joint-venture partner and hopes to conclude an arrangement with that party in 2007. The new developer will need a period of time to reevaluate the mix of uses in the Project under new market conditions, and to prepare a schematic design for the Project. During this time, financing support for predevelopment and construction will also be identified. Finally, building permit applications will need to be prepared for submittal. The applicant anticipates that these activities will require another two years.

Thus, it is anticipated that market conditions will adequately improve and new development permitting will be prepared in approximately two years. Thus, the applicant is hopeful that initial building permit applications can be prepared for submittal by the end of calendar 2008. The applicant therefore requests an extension of the period within which the first building permit application for the Project must be submitted to December 31, 2008. All Project review, including the updated transportation review, is current through this date.

Ms. Debbie Bent
November 9, 2006
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We would therefore appreciate it if the City would grant an extension of the period within which the first building permit application for the Project must be submitted to December 31, 2008, pursuant to Section G.1 of the CSDP and KCC Sec. 21A.41.100 (as amended). Please also confirm that the concurrency certificate for the Project will also automatically be extended through this date. Thank you for your attention to this request.

Very truly yours,



John C. McCullough

JCM:amc

cc. LakePointe, Inc.

Debbie Bent

From: Debbie Bent
Sent: Wednesday, November 15, 2006 4:25 PM
To: 'Ron Loewen (rloewen@jsanet.com)'
Cc: 'Lisa Grueter'
Subject: lakepointe

Ron - I received a request (letter from Jack McCullough) to extend the deadline (currently expires 12/31/06) for the Lakepointe Commercial Site Development Permit to 12/31/08 along with the concurrent extension of the concurrency certificate issued for Lakepoint. Part of the extension request included a review of traffic volumes prepared by the Transpo Group (11/8/06) with the conclusion that no additional traffic mitigation is needed in connection with the proposed extension.

I will mail this information out to you if you could please review the request and report and let me know if you concur (or not) with the recommendations regarding traffic.

Thanks - Debbie

Debbie Bent, Community Development Director
City of Kenmore
PO Box 82607
Kenmore, WA 98028

Phone: 425 398-8900
Fax: 425 481 3236

e-mail: dbent@ci.kenmore.wa.us

11/15/2006



Jones & Stokes

Memorandum

Date: November 28, 2006

To: Debbie Bent

From: Ron Loewen

Subject: Lakepointe CSCP Extension Request

We have reviewed as requested the November 8th Transpo Group traffic assessment of the Lakepointe project. The traffic report was prepared in support of an extension of the project's Commercial Site Development Permit (CSDP). The analysis was based on data collected prior to 2004 and concludes that traffic volumes are lower than the Lakepointe EIS projected and would have had to grow at an unattainable rate to exceed the 2005 EIS forecasts.

This was the same conclusion reached in our last analysis using 2004 data. With regards to current conditions we were able to locate a 2006 traffic count at the intersection of 61st Avenue NE and SR 522. The count was taken in October and a comparison with the Lakepointe EIS projected volumes is shown in the table below.

Location	AM Peak	PM Peak
SR 522 east of 61st Avenue		
1997 Master Plan Count		4,474
2004 Count		4,248
2006 Count		4,266
2005 Master Plan Forecast		5,240
SR 522/61st Avenue		
1997 Master Plan Count TEV	4,270	5,382
1999 Count TEV		5,336
2004 Count TEV		5,227
2006 Count TEV	4,591	5,198
2005 Master Plan Forecast TEV	4,936	6,300

TEV = Total Entering Vehicles

The comparison shows that for the PM peak hour traffic volumes are approximately 19% lower than projected in the EIS and continue to be lower than traffic volumes collected in 1997. Traffic volumes in the AM peak are also lower at approximately 7%, though they have grown since the 1997 counts. Based on this analysis, the Transpo Group report and our 2004 analysis we would concur that the City could grant an extension to the CSDP permit without requiring further traffic analysis or consideration of mitigation measures.

Prior to consideration of another permit extension AM and PM peak hour turning movement traffic counts should be taken at the intersections of 68th Avenue NE and SR 522, NE 170th Street and Juanita

Drive NE, and 61st Avenue NE and SR 522. In addition a three day 24 hour roadway count should be taken on SR 522 west of 61st Avenue NE and west of 68th Avenue NE, and 68th Avenue NE south of NE 175th Street NE. These counts should be taken between March and October.

MEMORANDUM

Date: November 8, 2006 **TG:** 06297.PR

To: Dean Erickson, Trimet Development

From: Kurt Gahnberg, The Transpo Group
James Webb, P.E., The Transpo Group

Subject: Lakepointe - Commercial Site Development Permit Extension

The City of Kenmore issued a Notice of decision in May 2000 for the proposed Lakepointe project, based on analysis of build-out project impacts through 2005. In August 2004, City of Kenmore staff granted an extension for the submittal of a building permit application for the proposed project through December 2006. The extension was based, in part, on a review of traffic volume trends since the completion of the traffic study. The review conducted in 2004 showed that traffic levels adjacent to the project site had remained unchanged or declined from those documented in the EIS analysis prepared for the proposed project. As such, 2004 traffic volumes would have had to have grown at an unattainable rate to exceed the 2005 forecasts documented in the EIS. Therefore, it was reasoned, the analysis of transportation related project impacts documented in the EIS remained adequate.

The purpose of this memorandum is to provide an overview of recent traffic volume growth trends adjacent to the proposed Lakepointe project site in support of a further extension to the commercial site development permit (CSDP) issued for the proposed project.

Historical count data adjacent to the project site was reviewed to establish recent growth patterns in weekday AM and PM peak hour traffic volumes. These count-based growth rates were then compared to the growth rates used in the EIS. In addition, recent weekday AM and PM peak hour intersection traffic volumes were compared to the traffic forecasts published in the EIS to determine if traffic volumes have remained below the 2005 forecasts from the EIS.

The previous Lakepointe Master Plan analysis assumed that existing 1997 traffic volumes would grow at a rate of 2.0 percent per year to establish 2005 without-project traffic volume forecasts. The data and counted growth rates are summarized in Table 1.

Table 1. Historical Growth Trends - SR 522/68th Avenue

Case	Calculations
AM Peak Hour - SR 522/68th Avenue	
1997 TEV	4,451
1999 TEV	4,427
Delta	-24
Annual Growth Rate	-0.0%
AM Peak Hour - SR 522/68th Avenue	
1997 East Leg	2,777
2002 East Leg	2,845
Delta	+68
Annual Growth Rate	+0.5%
PM Peak Hour - SR 522/68th Avenue	
1997 TEV	5,470
1999 TEV	4,981
Delta	-489
Annual Growth Rate	-4.5%
PM Peak Hour - SR 522/68th Avenue	
1997 East Leg	3,593
2002 East Leg	3,370
Delta	-223
Annual Growth Rate	-1.3%
PM Peak Hour - SR 522/68th Avenue	
1997 TEV	5,470
2003 TEV	4,974
Delta	-496
Annual Growth Rate	-0.5%
PM Peak Hour - SR 522/61st Avenue	
1997 TEV	5,382
1999 TEV	5,336
Delta	-46
Annual Growth Rate	-0.4%

As shown in Table 1, historical count data shows that growth in traffic during the weekday AM peak hour has been between approximately zero to half a percent per year. During the weekday PM peak hour traffic volumes have experienced negative growth (a decrease) of between approximately a half to four and a half percent per year. Therefore, growth in traffic volumes during the weekday AM and PM peak hours adjacent to the project site has occurred at a lower rate than assumed in the Master Plan analysis.

In addition to the comparison of actual versus assumed growth rates, the traffic count data was compared to both the 1997 existing counts and 2005 without project traffic forecasts from the Master Plan. The traffic volumes are summarized in Table 2.

Table 2. Traffic Count/Forecast Comparison

Source	AM Peak Hour	PM Peak Hour
SR 522/68th Avenue		
1997 Master Plan Count	4,451	5,470
1999 Count	4,427	4,981
2003 Count	-	4,974
2005 Master Plan Forecast	5,165	6,400
SR 522/61st Avenue		
1997 Master Plan Count	4,270	5,382
1999 Count	-	5,336
2005 Master Plan Forecast	4,936	6,300

As shown in Table 2, traffic counts collected since the 1997 data used as the basis for the Master Plan show that traffic volumes have yet to reach the 2005 forecast levels in the Master Plan; in fact they decreased to levels below the 1997 existing counts.

The results of this analysis are consistent with the analysis conducted in 2004 for the City in support of the previous extension: that traffic volumes would have had to have grown at an unattainable rate to exceed the 2005 forecasts documented in the EIS.

Therefore, based on a review of traffic volumes actually occurring during the AM and PM peak hours, we believe that the City could grant a further extension of the CSDP without requiring further analysis or mitigation measures.

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Table 2. Traffic Count/Forecast Comparison

Source	AM Peak Hour	PM Peak Hour
SR 522/68th Avenue		
1997 Master Plan Count	4,451	5,470
1999 Count	4,427	4,981
2003 Count	-	4,974
2005 Master Plan Forecast	5,165	6,400
SR 522/61st Avenue		
1997 Master Plan Count	4,270	5,382
1999 Count	-	5,336
2005 Master Plan Forecast	4,936	6,300

As shown in Table 2, traffic counts collected since the 1997 data used as the basis for the Master Plan show that traffic volumes have yet to reach the 2005 forecast levels in the Master Plan; in fact they decreased to levels below the 1997 existing counts.

The results of this analysis are consistent with the analysis conducted in 2004 for the City in support of the previous extension: that traffic volumes would have had to have grown at an unattainable rate to exceed the 2005 forecasts documented in the EIS.

Therefore, based on a review of traffic volumes actually occurring during the AM and PM peak hours, we believe that the City could grant a further extension of the CSDP without requiring further analysis or mitigation measures.

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