



City Of Kenmore, Washington

November 19, 2010

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

Dear Mr. McCullough,

Thank you for your continual interest in the Kenmore community. Since December 31, 2009, the City has granted temporary extensions of the Lakepointe Commercial Site Development Permit (CSDP), with the most current extension to November 19, 2010. Based on our recent discussions regarding the project (see attached), and the interests of the property owner and the City to further discuss the possible extension of the permit up to 2 to 5 years, the City is granting a short term extension, to February 4, 2011 in order for the parties to continue those discussions. The goal would be to reach an understanding regarding a longer term extension of the Lakepointe CSDP.

It is the understanding of the City that both parties will meet during the next two months and discuss diligently the necessary points to reach to the City's satisfaction an extension is justified and in the best interest of the community. In this regard, we would propose identifying at least three meeting times between now and January 24, 2011 to discuss the extension questions. If you and your client could propose calendar dates that would work best for you, the City will attempt to accommodate them.

The City reserves the right, of course, to not renew the permit. Thank you for your interest and cooperation.

Sincerely,

Frederick C. Stouder
City Manager
City of Kenmore, WA

Cc Gary Sargeant
Debbie Bent
Bryan Hampson
Nancy Ousley

Enclosures

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Janice Gates

From: Frederick Stouder
Sent: Friday, November 19, 2010 8:43 AM
To: Janice Gates; Teresa McAllister
Subject: FW: Apt with Jack McCullough

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: Red Category

I will have a letter with this

From: Jack McCullough [mailto:Jack@mhseattle.com]
Sent: Tuesday, November 16, 2010 10:03 PM
To: Frederick Stouder
Cc: Jack McCullough
Subject: RE: Apt with Jack McCullough

Fred:

Following up on our meeting today, here are some thoughts on the draft letter.

<i>Condition</i>	<i>Comment</i>
1	Extension of the TMA should not be a problem, assuming other issues need not be addressed.
2	A shoreline permit should not be required in areas outside of the 200-foot shoreline environment.
3	We will review the CSDP stormwater plan to provide comments on this proposed condition.
4	The project was reviewed and approved under the County's CAO. Imposing the City's current CAO on the project may require a substantial redesign of portions of the project, and may thereby render the project infeasible.
5	Requiring the project building permit to comply with future development regulations renders the current approval meaningless.
6	LakePointe does not own Lot B and therefore cannot impose obligations on Lot B. This condition is not feasible.
7	LakePointe has provided numerous traffic studies, all of which have validated the existing approval without the need for new traffic mitigation. While LakePointe does not object to performing additional limited traffic studies, it is not clear what burden this condition imposes. Once the traffic report is completed, what happens? If this condition could be used to revisit and reconsider the project approval (as extended), then it's not clear what value the extension has.
8	Impact fees payable at building permit is appropriate.

Let's set a time to get together to talk about these issues.

From: Frederick Stouder [mailto:fstouder@kenmorewa.gov]
Sent: Monday, November 15, 2010 5:04 PM
To: Janice Gates
Cc: Jack McCullough
Subject: FW: Apt with Jack McCullough

We will be here with good coffee ready to serve.

From: Janice Gates

Sent: Monday, November 15, 2010 2:58 PM

To: Frederick Stouder

Subject: Apt with Jack McCullough

Fred,

Jack would like to meet with you tomorrow, here at City Hall at 8:30 – I placed this on your calendar. Janice

Janice Gates

Administrative Assistant to City Manager

City of Kenmore

18120 68th Ave NE, Kenmore, Wa 98028

PH: 425-398-8900 jgates@kenmorewa.gov

November __, 2010

VIA ELECTRONIC MAIL AND FIRST CLASS MAIL

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:

Since December 31, 2009, the City has granted temporary extensions of the Lakepointe Commercial Site Development Permit (CSDP), most recently to November 19, 2010 to discuss the feasibility of developing a work program, schedule and process for modifying project entitlements including potential amendments to project phasing and other project conditions. The conclusion reached by both the City and your client, (Lakepointe, Inc. and Pioneer Towing) who represent the project applicant and landowner is that potential amendments to conditions of project approval are best considered at the time an investment or development partner, whose intent is development of the Lakepointe project, is engaged by the current property owner. Given current economic and market conditions an extension of the CSDP was concluded to be the best option at this time.

Updated traffic information (memo from The Transpo Group dated June 22, 2009) was submitted September 14, 2009 via e-mail. The City engineer reviewed the information (memo dated November 30, 2009) and this information was provided to you December 1, 2009. The City engineer concurred with the conclusion of the Transpo Group that traffic levels adjacent to the project site have decreased to levels below the 1997 counts which provides additional justification for granting an extension of the CSDP.

You previously requested (correspondence dated October 27, 2008 and December 2, 2009) an extension of the period within which the first building permit application for the project must be submitted, to December 31, 2012. The City is willing to grant an extension to November 19, 2015, based on the following conditions:

1. The Transportation Mitigation Agreement expires August 6, 2013. An addendum to extend the terms of this agreement to November 19, 2015 must be signed by all parties. The addendum must be executed no later than March 19, 2011, unless all parties agree to a later date. If an addendum is not executed, then the City will revoke the November 19, 2015 extension within which the first building permit application for the project must be submitted and establish an extension date of August 6, 2013 consistent with the expiration of the Transportation Mitigation Agreement.
2. A building permit application or permit application to construct other site improvements will not be accepted without an approved Shoreline Substantial Development Permit. The CSDP, master plan and building permit applications must be amended to comply with conditions of shoreline permit approval.
3. A building permit applications or permit application to construct other site improvements must be submitted in accordance with the City's adopted surface water regulations in effect at the time of permit application.
4. A building permit application or permit application to construct other site improvements must be submitted in accordance with the City's adopted critical area regulations in effect at the time of permit application.
5. A building permit application or permit application to construct other site improvements must be submitted in accordance with all adopted regulations in effect on November ____ 2010 or as subsequently amended and in effect at the time of permit application.
6. The Boundary Line Adjustment (BLA) executed in 2004 allowed the parcel in the northwest of the site (known as Lot B) to be sold. This parcel is subject to the Traffic Mitigation Agreement along with Lot A. However, terms and conditions of the CSDP and other documents now do not apply to Lot B. Prior to the City's acceptance of a building permit application or permit application to construct other site improvements, a revised BLA must be executed to make the CSDP and other documents expressly applicable to Lot B.
7. An updated traffic analysis must be submitted with a building permit application or permit application to construct other site improvements. The traffic analysis must include additional AM and PM peak hour turning movement traffic counts taken at the intersections of 68th Avenue NE and SR522, NE 170th Street and Juanita Drive NE and 61st Ave NE and SR522. In addition a three day 24 hour roadway count must be taken on SR522 west of 61st Avenue NE and west of 68th Avenue NE south of NE

175th Street NE. The counts must be taken between March and October. The purpose of the counts is to provide an assessment of traffic levels adjacent to the Lakepointe site compared to the counts collected in 1997 documented in the Environmental Impact Statement.

8. Traffic and park impact fees must be paid in accordance with impact fees in effect at the time of building permit application.

Sincerely,

Fred Stouder

City Manager