CITY COUNCIL MEETING AGENDA

City of Lake Stevens Vision Statement

By 2030, we are a sustainable community around the lake with a vibrant economy, unsurpassed infrastructure and exceptional quality of life.

May 24, 2022 - 6:00 PM
HYBRID MEETING - TWO WAYS TO PARTICIPATE:
In Person: The Mill, Sawyers Room, 1808 Main Street, Lake Stevens OR
Join Zoom Meeting: https://us02web.zoom.us/j/84185278881
or call in at (253) 215-8782 Meeting ID 841 8527 8881

1.	**Call to Order**		
2.	**Pledge of Allegiance**		Mayor
3.	**Roll Call**		
4.	**Approval of Agenda**		Council President
5.	**Citizen Comments**		
6.	**Council Business**		Council President
7.	**Mayor's Business**		
8.	**City Department Report**		
	A.	Planning and Community Development Update	Russ Wright
9.	**Guest Business**		
	A.	Donation Recognition and Drone Presentation	Commander Thomas
	B.	Introduce New Employees: Joel Case, Crew Worker Mitch Anderson, Crew Worker Adam Blanc, Crew Worker	Curtis Clifton
10.	**Consent Agenda**		
	A.	2022 Vouchers	Barb Stevens
	B.	City Council Workshop Meeting Minutes of May 3, 2022	Kelly Chelin
	C.	City Council Regular Meeting Minutes of May 10, 2022	Kelly Chelin
	D.	City Council Workshop Meeting Minutes of May 17, 2022	Kelly Chelin
	E.	Police Officer Lateral Hiring Incentives	Jeffrey Beazizo

F.	Contract with Data Transfer Solutions for deployment of VUEWorks	Troy Stevens

11. Public Hearing

A.	Lakeview Flats Development Agreement (LUA2022-0036) / Resolution 2022-08	Russ Wright

12. Executive Session

A. Confidential Session to Discuss Potential Litigation per RCW 42.30.110 (1) (i)

13. Adjourn

THE PUBLIC IS INVITED TO ATTEND

Special Needs: *The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Human Resources, City of Lake Stevens ADA Coordinator, (425) 622-9400, at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service, (800) 833-6384, and ask the operator to dial the City of Lake Stevens City Hall number.*

NOTICE: All proceedings of this meeting are audio recorded, except Executive Sessions.

CITY COUNCIL
STAFF REPORT

Agenda Date: 5/24/2022

Subject: Planning and Community Development Update

Contact Person/Department: Russ Wright, Community Development

Budget Impact: NA

Legal Review: No

RECOMMENDATION(S)/ACTION REQUESTED:

No action required

SUMMARY/BACKGROUND:

1. Through May 19, 2022, the city has received 467 building permits and 73 land use permits.
2. Staff held a kick-off meeting with Berk Consulting for its Housing Action Plan.
3. Staff has received one responsive bid for the Lake Stevens Industrial Infrastructure and Market Analysis. Staff is reviewing the proposal.
4. Staff held a kick-off meeting with KPG Consulting for the design of Sunset Park

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APPLICABLE CITY POLICIES:

NA

ATTACHMENTS:

None

BLANKET VOUCHER APPROVAL
2022

Payroll Direct Deposits	**5/10/2022**	**$282,077.92**
Payroll Checks	**55697**	**$1,993.95**
Electronic Funds Transfers	**ACH**	**$356,984.47**
Claims	**55698-55806**	**$343,711.38**
Void Checks	**54346, 54567, 54722, 55127**	**($1,353.23)**
Total Vouchers Approved:		**$983,414.49**

This 24th day of May 2022

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment or a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Lake Stevens, and that I am authorized to authenticate and certify to said claim.

Finance Director/Auditing Officer, Barb Stevens

Mayor, Brett Gailey

May 24, 2022

City expenditures by type for this voucher packet

Personnel Costs	$	284,072	29%
Payroll Federal Taxes	$	103,388	11%
Retirement Benefits - Employer	$	62,086	6%
Medical Benefits - Employer	$	179,609	18%
Other Employer Paid Benefits	$	1,014	0%
Employee Paid Benefits	$	22,432	2%
Supplies	$	24,146	2%
Professional Services	$	171,773	17%
Refunds	$	2,079	0%
Capital *	$	69,400	7%
Debt Payments	$	64,768	7%
Void Checks	$	(1,353)	0%
Total	**$**	**983,414**	**100%**

Large Purchases

* 2023 Big Tex Low Pro Dump Trailer - $13,775

* 91st Ave SE Ext/Water Line Relocation - $47,791

City of Lake Stevens Blanket Voucher Report
Checks to be approved for period 05/05/2022 - 05/18/2022

Total for Period
$700,695.85

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
911 Supply Inc	INV-2-18457	001 008 521 20 31 05	LE-Equipment - New Officers	Safari Holster	55707	$388.37
911 Supply Inc	INV-2-18477	001 008 521 20 31 01	LE-Fixed Minor Equipment	Smith & Warren NP102	55707	$43.10
911 Supply Inc	INV-2-18510	001 008 521 20 31 05	LE-Equipment - New Officers	Shirts/Fleece/Jacket/Pants/Cap - O Scholz	55707	$443.64
911 Supply Inc	INV-2-18511	111 008 521 20 31 01	Drug Seize - Canine Supplies	Safari ID Panel/Heat Press	55707	$19.83
					55707 Total	**$894.94**
A Worksafe Service Inc	319695	001 008 521 20 41 00	LE-Professional Services	Pre-Employment Drug Screening	55708	$55.00
A Worksafe Service Inc	319695	101 016 542 30 41 02	ST-Professional Service	Pre-Employment Drug Screening	55708	$27.50
A Worksafe Service Inc	319695	410 016 531 10 41 01	SW - Professional Services	Pre-Employment Drug Screening	55708	$27.50
					55708 Total	**$110.00**
Ace Hardware	73559	001 008 521 50 30 00	LE-Facilities Supplies	Pledge/Sponges	55709	$32.69
					55709 Total	**$32.69**
AFLAC	977966	001 000 284 00 00 00	Payroll Liability Other	Employee Paid Insurance Prem	0	$1,156.76
					0 Total	**$1,156.76**
Alexander Printing Co Inc	72504	410 016 531 10 31 02	SW - Operating Costs	Business Cards - C Jones	55710	$106.71
					55710 Total	**$106.71**
Amazon Capital Services	1DVY-9FLV-4N96	001 008 521 20 31 00	LE-Office Supplies	Expanding File Organizers	55711	$111.29
Amazon Capital Services	1GV1-QXC1-1XVH	001 008 521 20 31 00	LE-Office Supplies	Batteries/Laptop Sleeve/Label Holder	55711	$181.23
Amazon Capital Services	1LFC-G41W-R9Y6	001 008 521 20 31 00	LE-Office Supplies	Certificate & Document Covers	55711	$50.74
					55711 Total	**$343.26**
Amazon Capital Services	14CR-DD3V-FPWR	001 010 576 80 31 00	PK-Operating Costs	Name Badge Holders/Pencils	55712	$12.83
Amazon Capital Services	14CR-DD3V-FPWR	101 016 544 90 31 02	ST-Operating Cost	Name Badge Holders/Pencils	55712	$12.83
Amazon Capital Services	14CR-DD3V-FPWR	410 016 531 10 31 02	SW - Operating Costs	Name Badge Holders/Pencils	55712	$12.83
Amazon Capital Services	1H3D-P7RY-CDDT	001 010 576 80 31 00	PK-Operating Costs	Air Filters/Wall File/VM Log/Desk & Hanging Organizers	55712	$109.75
Amazon Capital Services	1H3D-P7RY-CDDT	101 016 544 90 31 02	ST-Operating Cost	Air Filters/Wall File/VM Log/Desk & Hanging Organizers	55712	$109.76
Amazon Capital Services	1H3D-P7RY-CDDT	410 016 531 10 31 02	SW - Operating Costs	Air Filters/Wall File/VM Log/Desk & Hanging Organizers	55712	$109.75
Amazon Capital Services	1KNT-CMTW-PTJR	001 006 518 80 31 00	IT-Office Supplies	USB-C Adapters	55712	$77.39
Amazon Capital Services	1N9N-X11M-K1NL	001 006 518 80 31 00	IT-Office Supplies	USB-C to Ethernet Adapters (6)	55712	$109.32
Amazon Capital Services	1Q4R-J1W7-QVJD	001 007 558 50 31 00	PL-Office Supplies	Disposable Gloves	55712	$32.70
Amazon Capital Services	1RPQ-T9VX-CV9Y	001 012 575 50 31 00	CS- The Mill- Ops	Dyson Vacuum - The Mill	55712	$167.73
Amazon Capital Services	1RPQ-T9VX-CV9Y	001 010 576 80 31 00	PK-Operating Costs	Headphones/Glue/Rolodex	55712	$38.24
Amazon Capital Services	1RPQ-T9VX-CV9Y	101 016 544 90 31 02	ST-Operating Cost	Headphones/Glue/Rolodex	55712	$38.24
Amazon Capital Services	1RPQ-T9VX-CV9Y	410 016 531 10 31 02	SW - Operating Costs	Headphones/Glue/Rolodex	55712	$38.24
Amazon Capital Services	1TFR-JFKJ-C9M6	001 007 558 50 31 00	PL-Office Supplies	Wireless Keyboard/Mouse Combo Return	55712	($30.54)
					55712 Total	**$839.07**
Assoc of Washington Cities	96284	001 005 518 10 49 01	HR-Staff Development	Labor Relations Insitute Registration - A Warrington / J Good	55713	$690.00
					55713 Total	**$690.00**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Assoc of Washington Cities EFT	30648	001 000 283 00 00 00	Payroll Liability Medical	Medical Insurance Premium	0	$179,608.96
Assoc of Washington Cities EFT	30648	001 013 518 30 20 00	GG-Benefits	Medical Insurance Premium	0	($0.10)
					0 Total	**$179,608.86**
Brazel	061222 BRAZEL	001 002 513 11 43 00	AD-Travel & Meetings	AWWA Conf San Antonio TX Meals - G Brazel	55714	$211.00
					55714 Total	**$211.00**
Business Card	BARNES 0522	001 008 521 20 43 00	LE-Travel & Per Diem	Airport Parking Fees	55715	$60.00
Business Card	BARNES 0522	001 008 521 20 43 00	LE-Travel & Per Diem	Basic Marine Law Enforcement Hotel - Irwin	55715	$595.70
Business Card	BARNES 0522	001 008 521 20 43 00	LE-Travel & Per Diem	Basic Marine Law Enforcement Hotel - Kilroy	55715	$595.70
Business Card	BARNES 0522	001 008 521 40 49 01	LE-Registration Fees	Internal Affairs Class Registration Refund - J Young	55715	($595.00)
Business Card	BARNES 0522	111 008 521 20 31 01	Drug Seize - Canine Supplies	Tactical Dog Collar	55715	$72.74
Business Card	BARNES 0522	111 008 521 20 31 01	Drug Seize - Canine Supplies	Tactical Dog Collar/Leashes	55715	$133.49
Business Card	BARNES 0522	001 008 521 20 41 01	LE-Professional Serv-Fixed	Transcription Services	55715	$167.50
Business Card	BEAZIZO 0522	001 008 521 40 49 01	LE-Registration Fees	CLI Marysville - M Hingtgen	55715	$695.00
Business Card	BEAZIZO 0522	001 008 521 20 31 01	LE-Fixed Minor Equipment	Marine Thermal Vision Camera Monocular	55715	$653.51
Business Card	BEAZIZO 0522	001 008 521 20 31 01	LE-Fixed Minor Equipment	SureFire 3-Prong Wrench/Glock Diassembly Tool	55715	$58.88
Business Card	BRAZEL 0522	001 004 514 23 31 00	FI-Office Supplies	Excel Spreadsheet Assistant - Heist	55715	$29.95
Business Card	BRAZEL 0522	001 010 576 80 43 00	PK-Travel & Meetings	Meal Parks Interviews - Brazel/Warrington/ Halverson/Recruiter	55715	$82.84
Business Card	CHELIN 0522	001 001 513 10 49 01	Executive - Prof. Development	Economic Alliance Annual Meeting Refund-B Gailey	55715	($140.13)
Business Card	CHELIN 0522	001 003 514 20 49 00	CC-Miscellaneous	WMCA Membership - K Chelin	55715	$75.00
Business Card	CHELIN 0522	001 013 518 20 41 00	GG-Professional Service	Zoom Monthly 05-2022	55715	$261.73
Business Card	CLIFTON 0522	001 010 576 80 31 00	PK-Operating Costs	Classic Carport	55715	$644.79
Business Card	CLIFTON 0522	101 016 544 90 31 02	ST-Operating Cost	Classic Carport	55715	$644.78
Business Card	CLIFTON 0522	410 016 531 10 31 02	SW - Operating Costs	Classic Carport	55715	$644.78
Business Card	CLIFTON 0522	001 010 576 80 49 01	PK-Staff Development	Intro to Microsoft Excel Registration - Clifton	55715	$53.00
Business Card	CLIFTON 0522	101 016 542 30 49 01	ST-Staff Development	Intro to Microsoft Excel Registration - Clifton	55715	$53.00
Business Card	CLIFTON 0522	410 016 531 10 49 01	SW - Staff Development	Intro to Microsoft Excel Registration - Clifton	55715	$53.00
Business Card	CLIFTON 0522	001 010 576 80 31 00	PK-Operating Costs	Mushroom Push Button/VB Valve Body/Stem	55715	$283.59
Business Card	CLIFTON 0522	001 010 576 80 49 01	PK-Staff Development	WA Pesticide/Vegetation/Turf Weed Mgmt-Eustace	55715	$50.14
Business Card	DREHER 0522	001 008 521 20 31 00	LE-Office Supplies	Airtame 2	55715	$474.00
Business Card	DREHER 0522	001 008 521 20 43 01	LE-Business Meetings	Donuts/Coffee	55715	$39.56
Business Card	DREHER 0522	001 008 521 20 31 00	LE-Office Supplies	Frames	55715	$52.34
Business Card	DREHER 0522	001 008 521 20 31 00	LE-Office Supplies	Frames Return	55715	($76.25)
Business Card	DREHER 0522	001 008 521 40 49 01	LE-Registration Fees	Lean Six Sigma Green Belt Certification - K Starkenburg	55715	$799.00
Business Card	DREHER 0522	001 008 521 20 31 00	LE-Office Supplies	Photo Finishing	55715	$10.86
Business Card	DREHER 0522	001 008 521 20 42 00	LE-Communication	Postage First Class Mail	55715	$20.90
Business Card	DREHER 0522	001 008 521 20 49 00	LE-Dues & Memberships	WAPRO CPRO Recertification - K Starkenburg	55715	$50.00
Business Card	DREHER 0522	001 008 521 40 49 01	LE-Registration Fees	WHIA-Con Tuition - S Warbis/K Bernhard	55715	$800.00
Business Card	HALVERSON 0522	001 010 576 80 43 00	PK-Travel & Meetings	APWA Conf Vancouver WA Hotel - Halverson	55715	$84.62
Business Card	HALVERSON 0522	101 016 543 30 43 00	ST-Travel & Meetings	APWA Conf Vancouver WA Hotel - Halverson	55715	$84.61
Business Card	HALVERSON 0522	410 016 531 10 43 00	SW - Travel & Meetings	APWA Conf Vancouver WA Hotel - Halverson	55715	$84.61
Business Card	HALVERSON 0522	001 010 576 80 43 00	PK-Travel & Meetings	APWA Conf Vancouver WA Parking - Halverson	55715	$4.16
Business Card	HALVERSON 0522	101 016 543 30 43 00	ST-Travel & Meetings	APWA Conf Vancouver WA Parking - Halverson	55715	$4.17
Business Card	HALVERSON 0522	410 016 531 10 43 00	SW - Travel & Meetings	APWA Conf Vancouver WA Parking - Halverson	55715	$4.17

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Business Card	HINGTGEN 0522	001 008 521 20 31 01	LE-Fixed Minor Equipment	C&H Precision Glock MOS MIL/LEO to Holosun	55715	$81.77
Business Card	HINGTGEN 0522	001 008 521 20 31 01	LE-Fixed Minor Equipment	Glock Serrated Height Set/Hand Guard Rail Section	55715	$100.71
Business Card	HINGTGEN 0522	001 008 521 20 31 01	LE-Fixed Minor Equipment	Single Point Nylon Bungee Slings	55715	$69.50
Business Card	KNOEPFLE 0522	001 010 576 80 31 00	PK-Operating Costs	Donuts for WM Community Clean Up Event	55715	$30.00
Business Card	KNOEPFLE 0522	101 016 544 90 31 02	ST-Operating Cost	Donuts for WM Community Clean Up Event	55715	$30.00
Business Card	KNOEPFLE 0522	410 016 531 10 31 02	SW - Operating Costs	Donuts for WM Community Clean Up Event	55715	$30.00
Business Card	LEBLANC 0522	001 008 521 40 49 01	LE-Registration Fees	PRA Deep Dive Registration - M Cooper	55715	$30.00
Business Card	LEBLANC 0522	001 008 521 40 49 01	LE-Registration Fees	WAPRO Certification Registration - M Cooper	55715	$125.00
Business Card	MACDONALD 0522	001 010 576 80 48 00	PK-Repair & Maintenance	Air Filters PW50	55715	$30.59
Business Card	MACDONALD 0522	101 016 542 30 48 00	ST-Repair & Maintenance	Air Filters PW50	55715	$30.58
Business Card	MACDONALD 0522	410 016 531 10 48 00	SW - Repairs & Maintenance	Air Filters PW50	55715	$30.58
Business Card	MACDONALD 0522	001 010 576 80 31 00	PK-Operating Costs	Lubra Seal Salt Spreader Coating/Polyethylene	55715	$302.17
Business Card	MACDONALD 0522	101 016 544 90 31 02	ST-Operating Cost	Lubra Seal Salt Spreader Coating/Polyethylene	55715	$302.16
Business Card	MACDONALD 0522	410 016 531 10 31 02	SW - Operating Costs	Lubra Seal Salt Spreader Coating/Polyethylene	55715	$302.16
Business Card	THOMAS 0522	001 008 521 30 31 00	LE-Community Outreach Supplies	Coffee Traveler for Sno911 Appreciation	55715	$19.58
Business Card	THOMAS 0522	001 008 521 20 43 01	LE-Business Meetings	Donuts for Meeting	55715	$22.79
Business Card	UBERT 0522	001 008 521 20 41 01	LE-Professional Serv-Fixed	FUBO TV Monthly Subscription for PD	55715	$82.91
Business Card	UBERT 0522	001 008 521 40 49 01	LE-Registration Fees	Lean Six Sigma Black Belt Registration - M LeBlanc	55715	$1,899.00
Business Card	UBERT 0522	001 008 521 20 31 00	LE-Office Supplies	Photo Frames	55715	$107.96
Business Card	UBERT 0522	001 008 521 40 49 01	LE-Registration Fees	RBLP Exam & Prep Upgrade	55715	$1,100.00
Business Card	UBERT 0522	001 008 521 20 41 01	LE-Professional Serv-Fixed	SurveyMonkey Annual Plan	55715	$418.94
Business Card	WARRINGTON 0522	001 005 518 10 31 01	HR-Operating Cost	Embroidered Polos	55715	$94.13
Business Card	WARRINGTON 0522	001 005 518 10 41 01	HR - Advertising/Marketing	Lexus Pens for Job Fair	55715	$409.18
Business Card	WARRINGTON 0522	001 005 518 10 41 01	HR - Advertising/Marketing	QR Code Generator Pro Membership	55715	$134.72
Business Card	WARRINGTON 0522	001 005 518 10 41 01	HR - Advertising/Marketing	Retractable Banner for Job Fair	55715	$207.35
Business Card	WARRINGTON 0522	001 005 517 60 31 00	HR-Safety Program	Safety Data Sheet/Biohazard/Assemble Point-Signs	55715	$144.36
Business Card	WEAVER 0522	001 001 513 10 49 01	Executive - Prof. Development	AWC Annual Conf Registration - B Gailey	55715	$375.00
Business Card	WEAVER 0522	001 010 576 80 43 00	PK-Travel & Meetings	Coffee - Landfill Park Meeting	55715	$45.00
Business Card	WEAVER 0522	001 010 576 80 43 00	PK-Travel & Meetings	Granola Bars/Cookies/Croissants/Fruit - Landfill Park Meeting	55715	$30.95
Business Card	WEAVER 0522	001 003 514 20 31 00	CC-Office Supply	Parliamentary Procedure Manual	55715	$97.16
Business Card	WEAVER 0522	001 003 514 20 49 00	CC-Miscellaneous	WMCA Membership - C Weaver	55715	$75.00
Business Card	WRIGHT 0522	001 007 558 50 49 00	PL-Miscellaneous	AWC PD Membership Dues	55715	$100.00
Business Card	WRIGHT 0522	001 007 558 50 43 00	PL-Travel & Mtgs	PAW Annual Conf Hotel - C Schmidt	55715	$213.70
Business Card	WRIGHT 0522	001 007 558 50 31 02	PL-Permit Related Op. Costs	Postcard Mailers LUA2022-0024 Fagerlie Annexation NOPH	55715	$40.87
Business Card	WRIGHT 0522	001 007 558 50 31 02	PL-Permit Related Op. Costs	Postcard Mailers LUA2022-0026 SEPA Mulvaney Buffer	55715	$16.93
Business Card	WRIGHT 0522	001 007 558 50 31 02	PL-Permit Related Op. Costs	Postcard Mailers Stillwater Variance Rochelle Smith NOA	55715	$58.59
Business Card	WRIGHT 0522	001 007 558 50 49 01	PL-Staff Development	Procurement Series Part 3 Registration - J Meis	55715	$40.00
Business Card	WRIGHT 0522	001 007 558 50 43 00	PL-Travel & Mtgs	WSAPT Conf Hotel - J Fenrich	55715	$185.66
Business Card	YOUNG 0522	111 008 521 20 31 01	Drug Seize - Canine Supplies	Dog Food	55715	$60.37
					55715 Total	**$15,086.11**
Cadman Materials Inc	5830436	410 016 531 10 31 02	SW - Operating Costs	Street Sweeping Disposal	55716	$2,273.69
					55716 Total	**$2,273.69**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Calliope Consulting LLC	197	001 013 518 20 41 00	GG-Professional Service	Lean Training Contract Services 04-2022	55717	$330.00
					55717 Total	**$330.00**
Caracal Enterprises LLC	131995	001 010 576 80 31 00	PK-Operating Costs	VenLite Suite Annual Fee-Davies Beach/North Cove	55718	$2,683.86
					55718 Total	**$2,683.86**
CDW Government Inc	W453205	510 006 518 80 31 00	Purchase Computer Equipment	Dell Docks (2)	55719	$730.38
CDW Government Inc	W557137	510 006 518 80 31 00	Purchase Computer Equipment	Targus Rugged Case	55719	$49.72
CDW Government Inc	W674149	001 010 576 80 31 00	PK-Operating Costs	CuberPower Sugre Protection System (9)	55719	$248.58
CDW Government Inc	W674149	101 016 544 90 31 02	ST-Operating Cost	CuberPower Sugre Protection System (9)	55719	$248.59
CDW Government Inc	W674149	410 016 531 10 31 02	SW - Operating Costs	CuberPower Sugre Protection System (9)	55719	$248.58
					55719 Total	**$1,525.85**
Central Welding Supply Co Inc	RN04221006	001 010 576 80 31 00	PK-Operating Costs	Argon Gas/Centrashield/Propane	55720	$21.70
Central Welding Supply Co Inc	RN04221006	101 016 544 90 31 02	ST-Operating Cost	Argon Gas/Centrashield/Propane	55720	$21.71
Central Welding Supply Co Inc	RN04221006	410 016 531 10 31 02	SW - Operating Costs	Argon Gas/Centrashield/Propane	55720	$21.71
					55720 Total	**$65.12**
Cifra	051022 CIFRA	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Willowood Easement Acquisition	55721	$100.00
					55721 Total	**$100.00**
Cintas Loc 460	4117893472	001 010 576 80 41 00	PK-Professional Services	PW Uniform Service	55722	$128.26
Cintas Loc 460	4117893472	101 016 542 30 41 02	ST-Professional Service	PW Uniform Service	55722	$128.26
Cintas Loc 460	4117893472	410 016 531 10 41 01	SW - Professional Services	PW Uniform Service	55722	$128.26
Cintas Loc 460	4118566260	001 010 576 80 41 00	PK-Professional Services	PW Uniform Service	55722	$134.89
Cintas Loc 460	4118566260	101 016 542 30 41 02	ST-Professional Service	PW Uniform Service	55722	$134.89
Cintas Loc 460	4118566260	410 016 531 10 41 01	SW - Professional Services	PW Uniform Service	55722	$134.88
					55722 Total	**$789.44**
City of Everett	I22002717	001 008 554 30 41 00	LE-Animal Control	Animal Boarding Fees	55723	$720.00
City of Everett	I22002726	001 008 554 30 41 00	LE-Animal Control	Animal Control Services 03-2022	55723	$1,410.00
City of Everett	I22002761	410 016 531 10 31 02	SW - Operating Costs	Fecal Coliform Analysis	55723	$165.00
					55723 Total	**$2,295.00**
City of Marysville	LKS22-004	001 013 512 50 41 00	GG-Municipal Court Fees	Marysville Court Citations 04-2022	55724	$5,081.27
City of Marysville	POLIN 22-0015	001 008 523 60 41 00	LE-Jail	Prisoner Medical 01-2022	55724	$1,225.00
					55724 Total	**$6,306.27**
Code Publishing LLC	GC0006941	001 003 514 20 41 00	CC-Professional Services	Muni Code Update - Web Update	55725	$415.33
					55725 Total	**$415.33**
Comcast	0422 COMCAST	001 010 576 80 42 00	PK-Communication	Internet Services - 20 S Davies Rd	55726	$401.67
Comcast	0422 COMCAST	001 010 576 80 42 00	PK-Communication	Internet Services - Frontier Park	55726	$401.67
Comcast	0422 COMCAST	001 010 576 80 42 00	PK-Communication	Internet Services - Parks/Rec Office	55726	$138.21
Comcast	0422 COMCAST	101 016 542 64 47 00	ST-Traffic Control -Utility	Traffic Signal Control	55726	$321.67
					55726 Total	**$1,263.22**
Cooper	051422 COOPER	001 000 382 10 00 01	The Mill - Deposit	LS22-Cooper Sawyers Room Rental 05/14/22 Deposit Refund	55727	$100.00
					55727 Total	**$100.00**
Custom Decks	020822 CUSTOM 2	003 000 322 10 00 00	Building Permits	Reissue Ck #55127 BLD2021-0882 Overpayment	55728	$788.86
Custom Decks	020822 CUSTOM 2	510 000 341 81 00 00	Technology Fee	Reissue Ck #55127 BLD2021-0882 Overpayment	55728	$14.34
					55728 Total	**$803.20**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
DataQuest LLC	18133	001 010 576 80 41 00	PK-Professional Services	Background Checks	55729	$318.17
DataQuest LLC	18133	101 016 542 30 41 02	ST-Professional Service	Background Checks	55729	$198.75
DataQuest LLC	18133	410 016 531 10 41 01	SW - Professional Services	Background Checks	55729	$119.25
					55729 Total	**$636.17**
Dept Graphics	11662	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Graphics Removal 2016 Ford Explorer	55730	$274.50
					55730 Total	**$274.50**
Dept of Licensing	050722 DOL	633 000 589 30 00 05	Gun Permit - State DOL	Weapons Permits 05/01/22 thru 05/07/22	55731	$381.00
					55731 Total	**$381.00**
Dept of Licensing	051422 DOL	633 000 589 30 00 05	Gun Permit - State DOL	Weapons Permits 05/08/22 thru 05/14/22	55732	$399.00
					55732 Total	**$399.00**
Dept of Retirement (Deferred Comp)	51022	001 000 282 00 00 00	Payroll Liability Retirement	Employee Portion-State Deferre	0	$4,452.46
					0 Total	**$4,452.46**
Dept of Retirement PERS LEOFF	51022	001 000 282 00 00 00	Payroll Liability Retirement	PERS LEOFF Contributions	0	$61,599.04
Dept of Retirement PERS LEOFF	51022	001 000 282 00 00 00	Payroll Liability Retirement	PERS LEOFF Contributions-State	0	$487.45
					0 Total	**$62,086.49**
Dibble Engineers Inc	32781	001 010 576 80 41 00	PK-Professional Services	Engineering Services - Davies Beach Dock	55733	$2,470.00
					55733 Total	**$2,470.00**
Dunlap Industrial Hardware	358217-1	001 010 576 80 31 00	PK-Operating Costs	Tarps/Shirt Rags/Tie Downs/Tracks	55734	$132.61
Dunlap Industrial Hardware	358217-1	101 016 544 90 31 02	ST-Operating Cost	Tarps/Shirt Rags/Tie Downs/Tracks	55734	$132.61
Dunlap Industrial Hardware	358217-1	410 016 531 10 31 02	SW - Operating Costs	Tarps/Shirt Rags/Tie Downs/Tracks	55734	$132.61
					55734 Total	**$397.83**
EFTPS	51022	001 000 281 00 00 00	Payroll Liability Taxes	Federal Payroll Taxes	0	$103,388.01
					0 Total	**$103,388.01**
Electronic Business Machines	AR219080	001 010 576 80 48 00	PK-Repair & Maintenance	Copier Copy Cost PW - QNN08471	55735	$10.17
Electronic Business Machines	AR219080	101 016 542 30 48 00	ST-Repair & Maintenance	Copier Copy Cost PW - QNN08471	55735	$10.18
Electronic Business Machines	AR219080	410 016 531 10 48 00	SW - Repairs & Maintenance	Copier Copy Cost PW - QNN08471	55735	$10.17
					55735 Total	**$30.52**
Employment Security Department	Q1 2022 ESD	501 000 517 60 49 00	Payment to Claimants	Q1 2022 ESD Benefit Payment	55736	$3,908.24
					55736 Total	**$3,908.24**
Evergreen Sheet Metal	051122EVERGREEN	003 000 322 10 00 00	Building Permits	BLD2022-0315 Refund - Customer Cancelled	55737	$74.00
Evergreen Sheet Metal	051122EVERGREEN	510 000 341 81 00 00	Technology Fee	BLD2022-0315 Refund - Customer Cancelled	55737	$2.22
					55737 Total	**$76.22**
FBI - LEEDA	200069325	001 008 521 40 49 01	LE-Registration Fees	ELI Marysville Registration - M LeBlanc	55738	$695.00
FBI - LEEDA	200069329	001 008 521 40 49 01	LE-Registration Fees	ELI Marysville Registration - C Valvick	55738	$695.00
FBI - LEEDA	200069330	001 008 521 40 49 01	LE-Registration Fees	ELI Marysville Registration - M Hingtgen	55738	$695.00
FBI - LEEDA	200069332	001 008 521 40 49 01	LE-Registration Fees	ELI Marysville Registration - D Thomas	55738	$695.00
FBI - LEEDA	200069336	001 008 521 40 49 01	LE-Registration Fees	ELI Marysville Registration - J Barnes	55738	$695.00
					55738 Total	**$3,475.00**
Florida State Disbursement Unit	200000082DR34	001 000 284 00 00 00	Payroll Liability Other	200000082DR34 Child Support	55698	$177.57
					55698 Total	**$177.57**
Fusco	050522 FUSCO	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Willowood Easement Acquisition	55739	$100.00
					55739 Total	**$100.00**
Garcia-Bengochoa	051122 GARCIA	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Quail Court Easement Acquisition	55740	$100.00
					55740 Total	**$100.00**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Glens Welding & Machine Inc	S15628	001 010 576 80 48 00	PK-Repair & Maintenance	Air Filter/Spark Plugs/Gaskets/Tune Up/Grease/ Adjust Valves	55741	$21.09
Glens Welding & Machine Inc	S15628	101 016 542 30 48 00	ST-Repair & Maintenance	Air Filter/Spark Plugs/Gaskets/Tune Up/Grease/ Adjust Valves	55741	$21.08
Glens Welding & Machine Inc	S15628	410 016 531 10 48 00	SW - Repairs & Maintenance	Air Filter/Spark Plugs/Gaskets/Tune Up/Grease/ Adjust Valves	55741	$21.08
Glens Welding & Machine Inc	S16515	001 010 576 80 31 00	PK-Operating Costs	Chaps/Helmet/Wheels	55741	$153.32
Glens Welding & Machine Inc	S16515	101 016 544 90 31 02	ST-Operating Cost	Chaps/Helmet/Wheels	55741	$153.31
Glens Welding & Machine Inc	S16515	410 016 531 10 31 02	SW - Operating Costs	Chaps/Helmet/Wheels	55741	$153.31
Glens Welding & Machine Inc	S16555	001 010 576 80 48 00	PK-Repair & Maintenance	Repair Valves Grease Heads/Repair FS94/Fuel Filter/Line Head	55741	$69.42
Glens Welding & Machine Inc	S16555	101 016 542 30 48 00	ST-Repair & Maintenance	Repair Valves Grease Heads/Repair FS94/Fuel Filter/Line Head	55741	$69.43
Glens Welding & Machine Inc	S16555	410 016 531 10 48 00	SW - Repairs & Maintenance	Repair Valves Grease Heads/Repair FS94/Fuel Filter/Line Head	55741	$69.43
					55741 Total	**$731.47**
Good	050422 GOOD	001 005 518 10 43 00	HR-Travel & Meetings	Labor Relations Institute Yakima WA Meals-J Good	55742	$88.00
					55742 Total	**$88.00**
Gordon Truck Centers Inc	SR302026533-01	001 010 576 80 31 00	PK-Operating Costs	Electrical Issue Assessment/Repair PW19 Addtl Balance	55743	$44.29
Gordon Truck Centers Inc	SR302026533-01	101 016 544 90 31 02	ST-Operating Cost	Electrical Issue Assessment/Repair PW19 Addtl Balance	55743	$44.29
Gordon Truck Centers Inc	SR302026533-01	410 016 531 10 31 02	SW - Operating Costs	Electrical Issue Assessment/Repair PW19 Addtl Balance	55743	$44.30
					55743 Total	**$132.88**
Governmentjobscom Inc	INV-27765	001 005 518 10 49 01	HR-Staff Development	NeoGov Conf Registration- Warrington/Good/Rose	55744	$1,737.00
					55744 Total	**$1,737.00**
Granite Construction Supply	94963	101 016 544 90 31 02	ST-Operating Cost	Truck Kits/Stop Hips	55745	$2,230.97
					55745 Total	**$2,230.97**
Gray	121021 GRAY (2)	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Reissue Ck #54722 Trail Easement Rights Tract 997 Quail Court	55746	$100.00
					55746 Total	**$100.00**
Hardin	051122 HARDIN	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Quail Court Easement Acquisition	55747	$100.00
					55747 Total	**$100.00**
Hathaway	33087	001 010 576 80 31 00	PK-Operating Costs	Nameplates/Wall Holders	55748	$143.54
Hathaway	33087	101 016 544 90 31 02	ST-Operating Cost	Nameplates/Wall Holders	55748	$143.53
Hathaway	33087	410 016 531 10 31 02	SW - Operating Costs	Nameplates/Wall Holders	55748	$143.53
					55748 Total	**$430.60**
HID Global Corporation	13402009480	001 008 521 20 41 01	LE-Professional Serv-Fixed	Livescan Annual Maint	55749	$2,205.57
					55749 Total	**$2,205.57**
Honey Bucket	552728847	001 010 576 80 45 00	PK-Equipment Rental	Honey Bucket Rental - Davies Beach	55750	$249.50
Honey Bucket	552730908	001 010 576 80 45 00	PK-Equipment Rental	Honey Bucket Rental - 8629 20th St SE	55750	$170.50
Honey Bucket	552738977	001 010 576 80 45 00	PK-Equipment Rental	Honey Bucket Rental - 1806 Main St North Cove	55750	$400.00
Honey Bucket	552742238	001 010 576 80 45 00	PK-Equipment Rental	Honey Bucket Rental - Catherine Creek Park	55750	$156.75
					55750 Total	**$976.75**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
HRA VEBA Trust YA20192	51022	001 000 283 00 00 00	Payroll Liability Medical	Employee VEBA Contributions	55699	$2,453.46
					55699 Total	**$2,453.46**
HSA Bank	51022	001 000 284 00 00 00	Payroll Liability Other	Health Savings Account Employee Contriubutions	55700	$125.00
					55700 Total	**$125.00**
HW Lochner Inc	000017878-20	304 016 594 31 63 00	17005 - 24th St SE & 91st Ave	24th St SE/91st Ave SE Construction Admin	55751	$6,060.54
					55751 Total	**$6,060.54**
ICONIX Waterworks US Inc	U2216020038	101 016 544 90 31 02	ST-Operating Cost	Manhole Grade Rings	55752	$338.12
					55752 Total	**$338.12**
Industrial Bolt & Supply Inc	783387-2	001 010 576 80 31 00	PK-Operating Costs	Hex Plugs/Screw Retainers/Rivets/Push Clips	55753	$58.63
Industrial Bolt & Supply Inc	783387-2	101 016 544 90 31 02	ST-Operating Cost	Hex Plugs/Screw Retainers/Rivets/Push Clips	55753	$58.62
Industrial Bolt & Supply Inc	783387-2	410 016 531 10 31 02	SW - Operating Costs	Hex Plugs/Screw Retainers/Rivets/Push Clips	55753	$58.62
					55753 Total	**$175.87**
J Thayer Co Inc	1589945-0	001 013 518 20 31 00	GG-Operating Costs	Paper Towels	55754	$163.54
J Thayer Co Inc	1591207-0	001 008 521 20 31 00	LE-Office Supplies	Paper/Tape/Post Its/Toner	55754	$277.28
J Thayer Co Inc	1591249-0	001 005 518 10 31 00	HR-Office Supplies	Files	55754	$52.31
J Thayer Co Inc	1591249-0	001 007 559 30 31 00	PB-Office Supplies	Highlighters	55754	$8.04
J Thayer Co Inc	1591249-0	001 013 518 20 31 00	GG-Operating Costs	Soap/Pens	55754	$47.93
J Thayer Co Inc	1591527-0	001 008 521 20 31 00	LE-Office Supplies	Markers	55754	$11.99
J Thayer Co Inc	1592254-0	001 007 559 30 31 00	PB-Office Supplies	Legal Notebooks	55754	$11.71
J Thayer Co Inc	1592254-0	001 007 558 50 31 00	PL-Office Supplies	Markers	55754	$6.98
J Thayer Co Inc	1592254-0	001 013 518 20 31 00	GG-Operating Costs	Toilet Paper/Tape	55754	$125.40
J Thayer Co Inc	1592275-0	001 013 518 20 31 00	GG-Operating Costs	Toilet Paper/Post It Notes	55754	$63.21
					55754 Total	**$768.39**
Kaiser Permanente	71773956	001 008 521 20 41 00	LE-Professional Services	New Employee Screeing - O Scholz	55755	$624.00
					55755 Total	**$624.00**
Lake Stevens Police Guild	51022	001 000 284 00 00 00	Payroll Liability Other	Employee Paid Union Dues	55701	$1,064.25
					55701 Total	**$1,064.25**
Lake Stevens Sewer District	12326.01 0522	001 010 576 80 47 00	PK-Utilities	Sewer - Boat Launch Restrooms Acct 12326-01	55756	$87.00
Lake Stevens Sewer District	13135.01 0522	101 016 543 50 47 00	ST-Utilities	Sewer - Decant Facility Acct 13135-01	55756	$43.00
Lake Stevens Sewer District	13135.01 0522	410 016 531 10 47 00	SW - Utilities	Sewer - Decant Facility Acct 13135-01	55756	$43.00
Lake Stevens Sewer District	2538.02 0522	001 010 576 80 47 00	PK-Utilities	Sewer - Lundeen Park Acct 2538-02	55756	$172.00
Lake Stevens Sewer District	3628.02 0522	001 010 576 80 47 00	PK-Utilities	Sewer - Davies Beach Acct 3628-01	55756	$86.00
Lake Stevens Sewer District	6294.04 0522	001 008 521 50 47 00	LE-Facility Utilities	Sewer - PD Evidence Bldg Acct 6294-04	55756	$86.00
Lake Stevens Sewer District	6296.03 0522	001 008 521 50 47 00	LE-Facility Utilities	Sewer - Police Station Acct 6296-03	55756	$172.00
Lake Stevens Sewer District	6390.03 0522	001 013 518 20 47 02	GG-Utilities for Rentals	Sewer - Leased Comm Building Acct 6390-03	55756	$152.51
Lake Stevens Sewer District	6666.01 0522	001 012 575 30 47 00	CS- Museum - Utilities	Sewer - Museum Acct 6666-01	55756	$86.00
Lake Stevens Sewer District	6671.01 0522	001 013 518 20 47 00	GG-Utilities	Sewer - City Hall Acct 6671-01	55756	$86.00
Lake Stevens Sewer District	6810.01 0522	001 012 575 50 47 00	CS- The Mill- Utilities	Sewer - The Mill Acct 6810-01	55756	$172.00
Lake Stevens Sewer District	7002.01 0522	001 010 576 80 47 00	PK-Utilities	Sewer - North Cove Park Restroom 7002-01	55756	$86.00
Lake Stevens Sewer District	8710.03 0522	001 008 521 50 47 00	LE-Facility Utilities	Sewer - Police Training Bldg Acct 8710-03	55756	$86.00
Lake Stevens Sewer District	9902.01 0522	001 012 572 20 47 00	CS- Library-Utilities	Sewer - Library Grade Rd Acct 9902-01	55756	$86.00
					55756 Total	**$1,443.51**
Lake Stevens Sewer District	25149	301 016 595 30 60 03	17005- 24th St & 91st Ext	Engineering Fees 91st Ave SE & 24th St SE	55757	$179.72
					55757 Total	**$179.72**
Leenstra	051122 LEENSTRA	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Willowood Easement Acquisition	55758	$100.00
					55758 Total	**$100.00**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Lemay Mobile Shredding Inc	4746678S185	001 008 521 20 41 01	LE-Professional Serv-Fixed	Shredding Services PD	55759	$36.99
Lemay Mobile Shredding Inc	4747000S185	001 010 576 80 41 00	PK-Professional Services	Shredding Services PW	55759	$5.68
Lemay Mobile Shredding Inc	4747000S185	101 016 542 30 41 02	ST-Professional Service	Shredding Services PW	55759	$5.69
Lemay Mobile Shredding Inc	4747000S185	410 016 531 10 41 01	SW - Professional Services	Shredding Services PW	55759	$5.69
					55759 Total	**$54.05**
Lemmon	050722 LEMMON	001 000 382 10 00 01	The Mill - Deposit	LS22-Lemmon Sawyers Rental 05/07/22 Deposit Refund	55760	$100.00
					55760 Total	**$100.00**
Leonard	051322 LEONARD	001 000 382 10 00 01	The Mill - Deposit	LS22-Leonard Hartford Hall Rental 05/13/22 Deposit Refund	55761	$500.00
					55761 Total	**$500.00**
Links Trailer Sales	051022 LINKS	530 016 594 48 60 00	Purchase Of Capital Equipment	2023 Big Tex Low Pro Dump Trailer	55762	$13,774.57
					55762 Total	**$13,774.57**
McLoughlin & Eardley Group Inc	262072	001 008 521 20 48 00	LE-Repair & Maintenance Equip	PD Vehicle Dome Light PO #1857	55763	$62.19
McLoughlin & Eardley Group Inc	262160	001 008 521 20 48 00	LE-Repair & Maintenance Equip	PD Vehicle Lights	55763	$1,135.35
					55763 Total	**$1,197.54**
Mooneyham	051422MOONEYHAM	001 000 382 10 00 01	The Mill - Deposit	LS22-Mooneyham The Stack Rental 05/14/22 Deposit Refund	55764	$100.00
					55764 Total	**$100.00**
National Construction Rentals Inc	6525033	304 016 595 30 60 03	Festival Street/Mill Spur	Temporary Fence Panels - 1804 Main St	55765	$542.01
					55765 Total	**$542.01**
Nationwide Retirement Solution	51022	001 000 282 00 00 00	Payroll Liability Retirement	Employee Portion-Nationwide	0	$5,947.39
					0 Total	**$5,947.39**
New York Life	51022	001 000 284 00 00 00	Payroll Liability Other	Whole Life Insurance Premiums	55702	$199.00
					55702 Total	**$199.00**
Office of the State Treasurer	04-2022 STATE	633 000 589 30 00 03	State Building Permit Remit	Building Code Fees 04-2022	55766	$224.50
Office of the State Treasurer	04-2022 STATE	633 000 586 00 00 01	State Court Remit	State Court Fees 04-2022	55766	$8,911.83
					55766 Total	**$9,136.33**
Owen Equipment Company	106166	001 010 576 80 31 00	PK-Operating Costs	Air Control Valve PW65	55767	$707.67
Owen Equipment Company	106166	101 016 544 90 31 02	ST-Operating Cost	Air Control Valve PW65	55767	$707.67
Owen Equipment Company	106166	410 016 531 10 31 02	SW - Operating Costs	Air Control Valve PW65	55767	$707.68
					55767 Total	**$2,123.02**
Proforce Marketing Inc	482891	520 008 594 21 63 03	Firearm - Capital Equip	Firearm Accessories PO #1861	55768	$62.47
					55768 Total	**$62.47**
Reece Construction Company	PROGRESS 13 REECE	307 000 595 30 60 00	Project Construction Account	91st Ave SE Ext/Water Line Relocation	55769	$50,286.85
Reece Construction Company	PROGRESS 13 REECE	307 000 382 20 00 00	Retainage Held	91st Ave SE Ext/Water Line Relocation Retainage	55769	($2,496.38)
					55769 Total	**$47,790.47**
SAFEbuilt Washington LLC	0086040-IN	001 007 558 50 41 04	Permit Related Professional Sr	Inspection Services 04-2022	55770	$9,976.72
					55770 Total	**$9,976.72**
Scott	051122 SCOTT	001 000 382 10 00 01	The Mill - Deposit	LS22-Miller The Stack Rental 05/11/22 Deposit Refund	55771	$100.00
					55771 Total	**$100.00**
Shultz	051522 SHULTZ	001 000 382 10 00 01	The Mill - Deposit	LS22-Shultz The Stack Rental 05/15/22 Deposit Refund	55772	$100.00
					55772 Total	**$100.00**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Smarsh Inc	INV-3277	510 006 518 80 49 05	LR - Smarsh	Archiving Platform	55773	$730.08
					55773 Total	**$730.08**
Smernis Enterprises	40600 (2)	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Reissue Ck #54346 Mount/Balance Tire PD Motorcycle	55774	$424.03
					55774 Total	**$424.03**
Snohomish County 911	4605	001 008 528 00 41 00	LE-SNO911	Dispatch Services	55775	$31,601.23
					55775 Total	**$31,601.23**
Snohomish County Human Services Dept	I000583971	001 013 566 00 41 00	GG - Liquor Tax to SnoCo	Q1 2022 Liquor Excise Taxes	55776	$3,054.97
					55776 Total	**$3,054.97**
Snohomish County Planning and Development Svcs	051322 DOCKET	001 007 558 60 41 00	PL-UGA-RUTA-Annexation	LS2 Docket Fee	55777	$2,343.25
					55777 Total	**$2,343.25**
Snohomish County Planning and Development Svcs	051322 ENVIRON	001 007 558 60 41 00	PL-UGA-RUTA-Annexation	LS2 Environmental Review	55778	$38,203.00
					55778 Total	**$38,203.00**
Snohomish County PUD	105788878	001 012 575 30 47 00	CS- Museum - Utilities	200558690 Museum Electric/Water	55779	$62.21
Snohomish County PUD	112371781	001 010 576 80 47 00	PK-Utilities	202340527 Decant Yard	55779	$7.10
Snohomish County PUD	112371781	101 016 543 50 47 00	ST-Utilities	202340527 Decant Yard	55779	$7.10
Snohomish County PUD	112371781	410 016 531 10 47 00	SW - Utilities	202340527 Decant Yard	55779	$7.10
Snohomish County PUD	112374254	101 016 542 63 47 00	ST-Lighting - Utilities	201595113 Street Lights	55779	$147.40
Snohomish County PUD	112376360	101 016 542 63 47 00	ST-Lighting - Utilities	201860178 Traffic Signal 9101 Market Pl	55779	$50.40
Snohomish County PUD	115670755	101 016 542 63 47 00	ST-Lighting - Utilities	202013249 Traffic Signal 1933 79th Ave SE	55779	$94.14
Snohomish County PUD	115670755	101 016 542 64 47 00	ST-Traffic Control -Utility	202013249 Traffic Signal 7441 20th St SE	55779	$67.67
Snohomish County PUD	118978679	101 016 542 63 47 00	ST-Lighting - Utilities	202624367 Street Lights	55779	$11,266.08
Snohomish County PUD	118978680	101 016 542 63 47 00	ST-Lighting - Utilities	202648101 Street Lights Soper Hill Annex	55779	$1,534.46
Snohomish County PUD	138696082	001 010 576 80 47 00	PK-Utilities	222191314 20th St Ballfield Water	55779	$54.73
Snohomish County PUD	142021504	101 016 542 63 47 00	ST-Lighting - Utilities	203731153 Traffic Signals	55779	$145.91
Snohomish County PUD	142021869	001 010 576 80 47 00	PK-Utilities	222947715 Hartford Industrial Electric/Water	55779	$122.33
Snohomish County PUD	142021869	101 016 543 50 47 00	ST-Utilities	222947715 Hartford Industrial Electric/Water	55779	$122.33
Snohomish County PUD	142021869	410 016 531 10 47 00	SW - Utilities	222947715 Hartford Industrial Electric/Water	55779	$122.33
Snohomish County PUD	145360038	001 013 518 20 47 00	GG-Utilities	222931883 Row Club Electric 12308 17th Pl NE	55779	$110.79
Snohomish County PUD	145360038	001 013 518 20 47 00	GG-Utilities	222931883 Row Club Water 12308 17th Pl NE	55779	$27.98
Snohomish County PUD	145360039	001 010 576 80 47 00	PK-Utilities	222942633 North Cove BBQ Shelter Electric	55779	$315.09
Snohomish County PUD	148647369	101 016 542 63 47 00	ST-Lighting - Utilities	202988481 Street Lights	55779	$94.79
Snohomish County PUD	148648457	001 010 576 80 47 00	PK-Utilities	203582010 Lundeen Restrooms Electric	55779	$250.08
Snohomish County PUD	148648457	001 010 576 80 47 00	PK-Utilities	203582010 Lundeen Restrooms Water	55779	$328.38
Snohomish County PUD	148648457	101 016 542 63 47 00	ST-Lighting - Utilities	203582010 Street Lights	55779	$28.41
Snohomish County PUD	148648457	001 012 557 30 40 01	CS- VIC Utilities	203582010 Visitor Information Center Electric	55779	$132.93
Snohomish County PUD	148649970	101 016 542 63 47 00	ST-Lighting - Utilities	201973682 Street Lights	55779	$129.32
Snohomish County PUD	148651822	001 012 575 51 47 00	CS- Grimm House Utilities	223357641 Grimm House Electric	55779	$75.96
Snohomish County PUD	158380843	101 016 542 63 47 00	ST-Lighting - Utilities	204719074 Catherine Creek Bridge Lights	55779	$28.94
Snohomish County PUD	161552996	001 010 576 80 47 00	PK-Utilities	222191298 North Cove Park Water	55779	$60.31
Snohomish County PUD	161553628	001 010 576 80 47 00	PK-Utilities	201487055 2424 Soper Hill Mobile Water/Electric	55779	$239.13
Snohomish County PUD	164752698	101 016 542 63 47 00	ST-Lighting - Utilities	203728159 Traffic Signal	55779	$56.58
Snohomish County PUD	167951902	101 016 542 63 47 00	ST-Lighting - Utilities	202670725 Street Lights	55779	$1,281.34
					55779 Total	**$16,971.32**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Snohomish County PUD 1 Water Utility	50422	304 016 595 30 60 03	Festival Street/Mill Spur	Meter Drop Fee for Grimm House	55780	$190.00
					55780 Total	**$190.00**
Snohomish County Treasurer	04-2022 STATE	633 000 586 00 00 02	Crime Victims Comp - SnoCo	Crime Victims Compensation 04-2022	55781	$148.57
					55781 Total	**$148.57**
Sound Publishing Inc	EDH951922	001 007 558 50 41 03	PL-Advertising	2018 IRC Fire Sprinklers Amend LSMC 14-80-010	55782	$124.08
Sound Publishing Inc	EDH953204	001 007 558 50 41 03	PL-Advertising	Short Term Rentals CC NOPH	55782	$137.84
Sound Publishing Inc	EDH953209	001 007 558 50 31 02	PL-Permit Related Op. Costs	Fagerlie Annexation PH & Theshold Det	55782	$158.48
Sound Publishing Inc	EDH953526	001 013 518 30 41 01	GG-Advertising	Ordinance 1136	55782	$34.52
Sound Publishing Inc	EDH953527	001 013 518 30 41 01	GG-Advertising	Ordinance 1138	55782	$36.24
Sound Publishing Inc	EDH953715	001 007 558 50 41 03	PL-Advertising	Planning Comm Mtg 05/04/22 Cancelled	55782	$17.32
Sound Publishing Inc	EDH953950	001 007 558 50 31 02	PL-Permit Related Op. Costs	LUA2022-0022/0055 Kosmin Fourplex	55782	$75.80
Sound Publishing Inc	EDH953953	001 007 558 50 31 02	PL-Permit Related Op. Costs	LUA2022-0049 20th St NE Gravity Main Major Land Dis	55782	$72.36
					55782 Total	**$656.64**
Sound Safety Products Co Inc	467730/1	001 010 576 80 31 01	PK-Ops-Clothing	Steel Toe Boots - Stevens P	55783	$63.00
Sound Safety Products Co Inc	467730/1	101 016 542 90 31 01	ST-Clothing	Steel Toe Boots - Stevens P	55783	$63.01
Sound Safety Products Co Inc	467730/1	410 016 531 10 31 00	SW - Clothing	Steel Toe Boots - Stevens P	55783	$63.01
Sound Safety Products Co Inc	470272/1	410 016 531 10 31 00	SW - Clothing	Hoodies/Vest/Jackets - Case J	55783	$588.45
Sound Safety Products Co Inc	470273/1	101 016 542 90 31 01	ST-Clothing	Jackets/Hoodie/Bib Pants/Chore Boots - Sawyer C	55783	$845.60
Sound Safety Products Co Inc	470276/1	410 016 531 10 26 00	SW - Clothing - Boot Allowance	Boots - Sawyer C	55783	$204.40
Sound Safety Products Co Inc	470296/1	001 010 576 80 26 00	PK-Clothing - Boot Allowance	Boots - Blanc A	55783	$174.73
Sound Safety Products Co Inc	470297/1	001 010 576 80 31 01	PK-Ops-Clothing	Chore Boots/Hoodies/Jacket - Blanc A	55783	$430.21
					55783 Total	**$2,432.41**
Sound Security Inc	1049637	001 008 521 20 41 01	LE-Professional Serv-Fixed	Access/Instrusion/Fire/Elevator Monitoring PD	55784	$1,125.00
Sound Security Inc	1049638	001 008 521 20 41 01	LE-Professional Serv-Fixed	Fire Monitoring 10518 18th St SE	55784	$65.00
					55784 Total	**$1,190.00**
Stericycle Inc	3005990959	001 008 521 20 41 01	LE-Professional Serv-Fixed	Hazardous Waste Disposal	55785	$69.56
					55785 Total	**$69.56**
Stevens	050522 STEVENS	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Willowood Easement Acquisition	55786	$100.00
					55786 Total	**$100.00**
Syn Tech Systems Inc	247692	001 013 518 20 31 00	GG-Operating Costs	Technical Support FuelMaster	55787	$48.00
					55787 Total	**$48.00**
Tandem Services Corp Inc	1178277	001 012 569 00 48 00	CS- Senior Services R&M	Routine Inspection - Senior Center	55788	$329.75
Tandem Services Corp Inc	1178278	001 010 576 80 48 00	PK-Repair & Maintenance	Routine Inspection - PW Shop	55788	$136.58
Tandem Services Corp Inc	1178278	101 016 542 30 48 00	ST-Repair & Maintenance	Routine Inspection - PW Shop	55788	$136.59
Tandem Services Corp Inc	1178278	410 016 531 10 48 00	SW - Repairs & Maintenance	Routine Inspection - PW Shop	55788	$136.58
					55788 Total	**$739.50**
Teamsters Local No 763	Apr-22	001 000 284 00 00 00	Payroll Liability Other	Union Dues	55703	$1,349.00
					55703 Total	**$1,349.00**
Technological Services Inc	23175	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Express Lube/Oil/Fluids/Brake Inspect/Battery PT-19-82	55789	$467.99
Technological Services Inc	23219	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Tire Repair PT-21-97	55789	$30.50
					55789 Total	**$498.49**
The Daily Herald	042822 HERALD	001 013 518 20 31 00	GG-Operating Costs	The Daily Herald Annual Subscription	55790	$234.64
					55790 Total	**$234.64**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Thompson Guilder & Associates Inc PS	945	001 011 515 41 41 00	Ext Consultation - City Atty	Legal Services	55791	$2,278.00
					55791 Total	**$2,278.00**
Thyssenkrupp Elevator Corporation	3006585342	001 013 518 20 47 02	GG-Utilities for Rentals	Elevator Service - 1819 S Lake Stevens Rd	55792	$902.13
Thyssenkrupp Elevator Corporation	3006585342	001 008 521 50 47 00	LE-Facility Utilities	Elevator Service - 1825 S Lake Stevens Rd	55792	$902.13
					55792 Total	**$1,804.26**
Turner	051522 TURNER	001 000 382 10 00 01	The Mill - Deposit	LS22-Turner The Stack Rental 05/15/22 Deposit Refund	55793	$100.00
					55793 Total	**$100.00**
UPS	0000074Y42182	001 008 521 20 42 00	LE-Communication	Evidence Shipping	55794	$19.10
					55794 Total	**$19.10**
Valvick	060622 VALVICK	001 008 521 20 43 00	LE-Travel & Per Diem	CERT Training Lacey WA Meals - Valvick	55795	$255.00
					55795 Total	**$255.00**
VanSkiver	050722VANSKIVER	001 000 382 10 00 01	The Mill - Deposit	LS22-VanSkiver Sawyers Rental 05/07/22 Deposit Refund	55796	$100.00
					55796 Total	**$100.00**
Vantagepoint Transfer Agents - 108991	742856	001 000 282 00 00 00	Payroll Liability Retirement	ICMA Deferred Comp - Employer Contribution	55704	$435.73
					55704 Total	**$435.73**
Vantagepoint Transfer Agents - 307428	742858	001 000 282 00 00 00	Payroll Liability Retirement	ICMA Deferred Comp - Employee Contribution	55705	$1,764.69
					55705 Total	**$1,764.69**
Vasquez	050622 VASQUEZ	302 010 594 76 61 03	PM -20th SE Fields/Poweline TR	Willowood Easement Acquisition	55797	$100.00
					55797 Total	**$100.00**
Verizon Northwest	9904849166	001 008 521 20 42 00	LE-Communication	Wireless Phone Service	55798	$2,922.67
Verizon Northwest	9905455347	001 001 511 60 42 00	Legislative - Communication	Wireless Phone Service	55798	$331.42
Verizon Northwest	9905455347	001 001 513 10 42 00	Executive - Communication	Wireless Phone Service	55798	$42.09
Verizon Northwest	9905455347	001 002 513 11 42 00	AD-Communications	Wireless Phone Service	55798	$47.09
Verizon Northwest	9905455347	001 003 514 20 42 00	CC-Communications	Wireless Phone Service	55798	$79.18
Verizon Northwest	9905455347	001 004 514 23 42 00	FI-Communications	Wireless Phone Service	55798	$84.18
Verizon Northwest	9905455347	001 005 518 10 42 00	HR-Communications	Wireless Phone Service	55798	$173.36
Verizon Northwest	9905455347	001 006 518 80 42 00	IT-Communications	Wireless Phone Service	55798	$330.45
Verizon Northwest	9905455347	001 007 558 50 42 00	PL-Communication	Wireless Phone Service	55798	$526.52
Verizon Northwest	9905455347	001 007 559 30 42 00	PB-Communication	Wireless Phone Service	55798	$252.22
Verizon Northwest	9905455347	001 010 576 80 42 00	PK-Communication	Wireless Phone Service	55798	$575.59
Verizon Northwest	9905455347	101 016 543 30 42 00	ST-Communications	Wireless Phone Service	55798	$575.58
Verizon Northwest	9905455347	410 016 531 10 42 00	SW - Communications	Wireless Phone Service	55798	$575.58
					55798 Total	**$6,515.93**
Warrington	50422	001 005 518 10 43 00	HR-Travel & Meetings	Labor Relations Institute Yakima WA Meals - A Warrington	55799	$88.00
Warrington	120321WARRINGT2	001 005 518 10 43 00	HR-Travel & Meetings	Reissue Ck #54567 PerDiem Meal Executive Staff Retreat	55799	$26.00
					55799 Total	**$114.00**
Washington Assoc of Sheriffs and Police Chiefs	DUES 2022-00484	001 008 521 20 49 00	LE-Dues & Memberships	Association Dues - J Ubert	55800	$75.00
					55800 Total	**$75.00**
Washington Audiology Services	60406	001 008 521 20 41 00	LE-Professional Services	Hearing Test Results Review Fee	55801	$20.00
					55801 Total	**$20.00**

Vendor Name	Invoice #	Account #	Account Name	Description	Check #	Amount
Washington State Dept of Enterprise Svcs	71138215	410 016 531 10 49 01	SW - Staff Development	WA State Crucial Coversations for Accountability - S Waltz	55802	$186.00
Washington State Dept of Enterprise Svcs	71138232	101 016 542 30 49 01	ST-Staff Development	Verbal De-Escalation/Conflict/Triggers - M Breadstrand	55802	$225.00
Washington State Dept of Enterprise Svcs	71138360	101 016 542 30 49 01	ST-Staff Development	Assertive Communications Registration - M Bredstrand	55802	$180.00
Washington State Dept of Enterprise Svcs	71138360	101 016 542 30 49 01	ST-Staff Development	Leading Others Registration - B Connolly/S Waltz	55802	$1,570.00
Washington State Dept of Enterprise Svcs	731114002	001 008 521 20 42 00	LE-Communication	Business Cards - J Wachtveitl/D Thomas	55802	$86.85
					55802 Total	**$2,247.85**
Washington State Patrol	I22005541	633 000 589 30 00 10	Gun Permit - WSP Remittance	Weapons Permit Background Checks 03-2022	55803	$500.25
					55803 Total	**$500.25**
Washington State Support Registry	51022	001 000 284 00 00 00	Payroll Liability Other	Employee Paid Child Support	0	$344.50
					0 Total	**$344.50**
Western Conference of Teamsters Pension Trust	51022	001 000 282 00 00 00	Payroll Liability Retirement	Employee Contributions - Teamster Pension	55706	$3,596.67
					55706 Total	**$3,596.67**
Yarkut	050522 YARKUT	001 007 559 30 49 00	PB-Miscellaneous	ICC - Property Maint Certificate Exam Reimbursement	55804	$241.00
					55804 Total	**$241.00**
Zions Bank	050322 ZIONS	412 016 592 31 80 00	2019 LTGO Bond - Interest	2019 LTGO Bond Interest	55805	$3,768.24
Zions Bank	050322 ZIONS	412 016 591 31 70 00	2019 LTGO Bond - Principal	2019 LTGO Bond Principal	55805	$61,000.00
					55805 Total	**$64,768.24**
Ziply Fiber	05-2022 ZIPLY	001 012 575 30 47 00	CS- Museum - Utilities	Telephone Services Museum	55806	$217.47
Ziply Fiber	05-2022 ZIPLY	101 016 542 64 47 00	ST-Traffic Control -Utility	Traffic Control Modem	55806	$60.41
					55806 Total	**$277.88**

CITY OF LAKE STEVENS
CITY COUNCIL WORKSHOP MEETING MINUTES
May 3, 2022, at 6:00 p.m.
By Remote Participation via Zoom

CALL TO ORDER:	6:00 p.m. by Mayor Brett Gailey
ELECTED OFFICIALS PRESENT:	Mayor Brett Gailey, Councilmembers Kim Daughtry, Gary Petershagen, Mary Dickinson, Anji Jorstad, Shawn Frederick, Marcus Tageant and Steve Ewing
STAFF MEMBERS PRESENT:	City Administrator Gene Brazel, Finance Director Barb Stevens, IT Director Troy Stevens, Public Works Director Aaron Halvorson, Police Chief Jeff Beazizo, Human Resources Director Anya Warrington, Deputy City Clerk Caitlin Weaver, Stormwater Coordinator Shannon Farrant, Planning Manager David Levitan and City Attorney Greg Rubstello

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Briefing on Short-Term Rentals Code Amendment (LUA2022-0046)

Planning Manager Levitan briefed the Council on LUA2022-0046, a city-initiated land use code amendment related to LSMC 14.44.064 (Short-Term Rentals) and associated chapters which is scheduled for a public hearing on May 10, 2022. After discussion from the Council and additional questions and concerns, the public hearing will be postponed to a later date.

Private and Public Stormwater Infrastructure Maintenance Review

Stormwater Coordinator Farrant asked for Council's input on a path forward to meet condition S5.C.7.b in the National Pollution Discharge Elimination Systems (NPDES) Western Washington Phase II Municipal Stormwater Permit (NPDES permit) for maintenance of stormwater facilities. Council engaged in a discussion.

Requesting Council's review and input on the adoption of the 2019 Stormwater Management Manual for Western Washington

Stormwater Coordinator Farrant asked for Council's input on the adoption of the 2019 Stormwater Management Manual for Western Washington. Council engaged in a discussion.

Pandemic Recovery Funds - Reallocation Discussion

Finance Director Stevens reviewed the Pandemic Recovery funding plan alternatives and provided guidance on priorities.

The meeting was adjourned at 8:30 p.m.

Brett Gailey, Mayor	Kelly M. Chelin, City Clerk

CITY OF LAKE STEVENS
CITY COUNCIL REGULAR MEETING MINUTES

May 10, 2022, at 6:00 p.m.
Hybrid Meeting - By Remote Participation via Zoom & in Person at The Mill Building

CALL TO ORDER:	6:00 p.m. by Mayor Gailey
ELECTED OFFICIALS PRESENT:	Mayor Brett Gailey, Councilmembers Kim Daughtry, Gary Petershagen, Shawn Frederick, Mary Dickinson, Marcus Tageant, Councilmember Anji Jorstad and Steve Ewing
STAFF MEMBERS PRESENT:	City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Aaron Halvorson, Police Chief Jeff Beazizo, Human Resources Director Anya Warrington, City Clerk Kelly Chelin, Planning Manager David Levitan, Capital Projects Manager Erik Mangold, Deputy City Clerk Caitlin Weaver and City Attorney Greg Rubstello.

Call to Order
The Mayor called the meeting to order at 6:00 p.m.

Pledge of Allegiance
The Mayor led the Pledge of Allegiance.

Roll Call
All Councilmembers were present except Councilmember Petershagen.

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Tageant, to excuse Councilmember Petershagen. The motion passed 6-0-0-0.

Note: Councilmember Petershagen arrived at 6:02 p.m.

Approval of Agenda
Councilmember Dickinson asked for the Council meeting minutes of April 14, 2022, on the consent agenda, be changed to show that she was in attendance at that meeting.

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Dickinson, to approve the agenda as amended. The motion passed 7-0-0-0.

Guest Business
Update from Snohomish Health District

New Staff Introductions:
Cody Sawyer, Facilities Maintenance Technician
Oliva Scholz, Police Officer

Citizen Comments

Chase, 8629 14th Street NE, Lake Stevens.
Chase introduced himself as part of the Frontier Heights HOA. He thanked the Council for their work.

Council Business

Councilmember Jorstad read a proclamation into the record for Mental Health Awareness Month for May 2022. She also reported that she attended the Health Board meeting.

Councilmember Dickinson reported she attended the School Board meeting.

Councilmember Frederick reported he attended the Veterans Commission meeting and the Youth Advisory Council meeting.

Councilmember Tageant reported that he attended the Park Board meeting.

Councilmember Petershagen reported that he attended the Historical Society meeting.

Councilmember Daughtry reported that he attended the Veterans Commission meeting. He also attended the Community Transit and the Youth Advisory Council meeting.

Councilmember Ewing participated in interviews for two Commission vacancies. He stated there were great candidates. He also attended the Youth Advisory Council meeting. He also acknowledged the financial contribution that Community Transit gave to the Youth Advisory Council.

Mayors Business

Mayor Gailey reported that he is working with fellow Mayors about a new public safety platform. He also presented two awards to Chief Beazizo: one for 5 years of service and a Life Saving Award.

City Department Report

Director Stevens and Director Wright provided updates on their department.

Consent Agenda:

MOTION. Councilmember Ewing made a motion, seconded by Councilmember Jorstad, to approve the consent agenda. The motion passed 7-0-0-0.

The consent agenda included the following:

- 2022 Vouchers
- City Council Regular Meeting Minutes of April 12, 2022
- City Council Special Meeting Minutes of April 14, 2022
- City Council Workshop Meeting Minutes of April 19, 2022

- City Council Regular Meeting Minutes of April 26, 2022
- Appointments to the Salary Commission and Civil Service Commission

Public Hearing:

Resolution 2022-07 - Fagerlie Annexation 60 Percent Petition

Planning Manager Levitan explained that on March 10, 2022, the City Council passed Resolution 2022-01 accepting the 10% Fagerlie Annexation petition and authorizing the gathering of signatures for the 60% annexation petition. On April 11, 2022, the applicant submitted the 60% annexation petition with signatures from property owners representing more than 60% of the assessed valuation of the properties contained within the proposed annexation area, as required by RCW 35A.14.120. On April 12, 2022, the Snohomish County Assessor's office validated the 60% petition (Attachment 2).

The proposed annexation area is approximately 13.8 acres and is located south of Lake Stevens city limits, which extend to the north side of 20th St SE. The area includes three parcels on the south side of 20th St SE on either side of Williams Rd as well as Williams Rd right-of-way and is bounded on the south and west by residential neighborhoods and on the east by the Rural Urban Transition Area (RUTA).

Prior to adopting Resolution 2022-01, the City Council discussed and indicated their preliminary support for assigning Comprehensive Plan and zoning designations of High Density Residential and R8-12, which are being requested by the applicant. These differ from the predesignations established by Ordinance 1973. The applicant subsequently prepared a SEPA environmental checklist and supporting analysis which demonstrated that the proposed zoning change would not have an adverse environmental impact when compared to the existing zoning predesignation. The City issued a Determination of Nonsignificance for the proposed annexation on April 25, 2022 (Attachment 3).

Snohomish County has a Boundary Review Board that is required to review all annexations prior to approval by the City Council. Therefore, Resolution 2022-07 would authorize the city to issue a "Notice of Intent to Annex", which will be submitted to the Boundary Review Board. Once the board has reviewed the annexation proposal and provided their decision, the City Council will make the final decision on annexing the properties and adopting Comprehensive Plan and zoning designations for the annexed area, which would involve the adoption of an ordinance following a separate public hearing.

The notice of public hearing was posted on site (three separate signs), published in the Everett Herald, and mailed to property owners within 300 feet of the property on or around April 25, 2022.

Mayor Gailey opened the public hearing at 6:52 p.m.

City Clerk Chelin noted for the record that email comments were forwarded to the Council from Josh DeWinter, Gary McBride and Wendy/Brett Dalpiaz.

David Toyer, Toyer Strategies Advisors.
Mr. Toyer explained that they are the petitioners for the annexation. He explained their position and thanked Council and staff for their work on this.

Zach Pitcher, Lake Stevens.
Mr. Pitcher stated that he was strongly against it. He explained the blind turn and its very dangerous with all of the traffic.

Mayor Gailey closed the public hearing at 6:57 p.m.

MOTION. Councilmember Daughtry made a motion, seconded by Councilmember Frederick, to approve Resolution 2022-07 – Fagerlie Annexation 60 Percent Petition. The motion passed 7-0-0-0.

Action Items:

Award Contract to Reece Construction for the 2022 Pavement Preservation Overlay Project

Capital Projects Manager Mangold explained the Asphalt Pavement Overlay is an annual street surface preservation process that acts as a maintenance to keep our streets functional and safe with a $400,000 budget for 2022. This year's overlay project includes a Grind and overlay of (3) areas and updating of affected ADA ramps throughout the City of Lake Stevens: 91st St NE from Market Place to just before SR204, Grade Road from 32nd St NE to 36th St NE, and 30th Street NE from 113th Ave NE to Cedar Rd.

The city released the request for bid on April 12, 2022, and opened bids on April 26, 2022. The City received (3) responsive bids with the lowest bid coming from Reece Construction Company in Marysville, WA at $338,568.00 and the highest responsive bid from Fidalgo Paving & Construction at $342,249.00

The remainder of the unallocated funds, within the approved 2022 overlay budget ($400,000) will be used for additional street maintenance or rolled into the 2023 overlay budget.

To reduce the impact on local traffic, the contracting schedule is to occur during the summer months when school is out and there are no major City events. Work is expected to be completed prior to the end of August.

MOTION. Councilmember Tageant made a motion, seconded by Councilmember Jorstad, to award the Contract to Reece Construction for the 2022 Pavement Preservation Overlay Project. The motion passed 7-0-0-0.

Adjournment:
MOTION. Councilmember Tageant made a motion, seconded by Councilmember Ewing, to adjourn the meeting. The motion passed 7-0-0-0. The meeting adjourned at 7:10 p.m.

Brett Gailey, Mayor	Kelly M. Chelin, City Clerk

CITY OF LAKE STEVENS
CITY COUNCIL WORKSHOP MEETING MINUTES

May 17, 2022, at 6:00 p.m.
By Remote Participation via Zoom

CALL TO ORDER: 6:00 p.m. by Council President Steve Ewing

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Mary Dickinson, Anji Jorstad, Shawn Frederick, Marcus Tageant and Steve Ewing

ELECTED OFFICALS ABSENT: Mayor Brett Gailey

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, IT Director Troy Stevens, Public Works Director Aaron Halvorson, Police Chief Jeff Beazizo, Human Resources Director Anya Warrington, Community Development Director Russ Wright, City Clerk Kelly Chelin, Deputy City Clerk Caitlin Weaver and City Attorney Greg Rubstello

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<u>Police Lateral Hiring Incentives</u>

Chief Beazizo reviewed the proposed incentives for Lateral Police Officers. The Council engaged in a discussion and this item will come back at the next meeting.

<u>Council Summer Break</u>

The Council and staff discussed the dates for the summer break. The Council will take a break from meetings from July 13 to August 22, 2022.

<u>Continuation of Hybrid Council Meetings</u>

City Attorney Rubstello explained new provisions to the OPMA, ESHB 1329. All public meetings will need to be in person after June 1, 2022. Council discussed the provisions and agreed to continue hybrid meetings (both in person and virtual) going forward.

The meeting adjourned at 7:13 p.m.

______________________________ ______________________________
Brett Gailey, Mayor Kelly M. Chelin, City Clerk

CITY COUNCIL
STAFF REPORT

Agenda Date: 5/24/2022

Subject: Police Officer Lateral Hiring Incentives

Contact Person/Department: Jeffrey Beazizo, Police Department

Budget Impact:

Legal Review: No

RECOMMENDATION(S)/ACTION REQUESTED:

SUMMARY/BACKGROUND:

In 2020, with police agencies struggling to attract experienced Police Officers, Lake Stevens Police Department initiated a $10,000 Lateral Police Officer hiring incentive. A Lateral Police Officer is defined as:

> currently employed, full-time civilian law enforcement officer with a city, county, state, or federal agency who has successfully completed the Washington State Criminal Justice Training Commission's Basic Law Enforcement Academy; or
> has previously worked in the above capacity within the last 24 months;
> whose prior training qualifies them to attend the Washington State Criminal Justice Training Commission's Equivalency Academy (if applicable)
> successfully completed past agency's Field Training program

The Police Department currently has six vacant Police Officer positions.

In 2021, Lake Stevens Police had a total of 1,832.75 overtime hours for Leave Coverage (backfill) and Training -Coverage (backfill). The total costs paid was $222,844.07.

The average lateral hiring incentive in Snohomish County is $20,000. The following shows the current incentives paid by each agency.

Agency	Lateral Signing Bonus	Moving Expenses

SCSO	$0	$2,000 in-state, $5,000 Out of State
EVERETT PD	$30,000 In-State, $25,000 Out of State, $15,000 BLEA Certificate	$0
MARYSVILLE PD	$20,000	$0
ARLINGTON PD	$20,000 In-State, $10,000 Out of State	$0
LYNNWOOD PD	$20,000	$0
MILL CREEK PD	$20,000	$0

To attract Lateral Police Officers to Lake Stevens, we request the approval of the following increase in the Lateral Police Officer hiring incentive and moving expenses reimbursement for lateral officers hired between June 1, 2022, and December 31, 2022. For 2023 and beyond, the hiring incentive and moving costs reimbursement will be reviewed and included in the budget process if approved.

$15,000 for 1-2 years of experience
$20,000 for 2-5 years of experience
$25,000 for 5 or more years of experience

Moving expenses reimbursement - $2,500 In-State and $5,500 Out of State. Moving costs must be supported by documentation indicating the dates, service provided, company name and contact information, and the amount paid. Reasonable expenses include professionally licensed pack/unpack services, storage fees and moving company services for household goods, and the cost of employee and household members' travel (airfare, mileage reimbursement, and/or lodging) from former home to new home. Costs incurred more than ninety (90) days before or after the start date will not be eligible for reimbursement. Any reimbursement made by the City shall be compliant with IRS regulations. Employees must successfully pass their probationary period in order to be eligible for the relocation reimbursement.

The Lateral Officer hiring incentives will continue to be paid in two installments: one-half upon hire and one-half upon completion of probation. If the employee separates from employment for any reason within three years of hire, they will be required to reimburse a prorated amount of the incentive back to the City of Lake Stevens.

If approved, we request a budget amendment of $65,000 in 2022, which would provide the incentive for six positions (Current budget is $20,000; $10,000 of this is already committed to two current lateral officers).

See the Lateral Police Officer Payout and Repayment Schedule for amounts:

1-2 Years of Full Time Commissioned Law Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $7,500 (First Pay Period)	First paycheck distribution < End of Probation	$7,500
2nd $7,500 (End of Probation)	End of Probation to < 24 Months	$15,000

	24 months < 36 months (3 years)	$7,500
	After completion of 3 years	$0

2-5 Years of Full Time Commissioned Law Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $10,000 (First Pay Period)	First paycheck distribution < End of Probation	$10,000
2nd $10,000 (End of Probation)	End of Probation to < 24 Months	$20,000
	24 months < 36 months (3 years)	$10,000
	After completion of 3 years	$0

5+ Years of Full Time Commissioned Law Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $12,500 (First Pay Period)	First paycheck distribution < End of Probation	$12,500
2nd $12,500 (End of Probation)	End of Probation to < 24 Months	$25,000
	24 months < 36 months (3 years)	$12,500
	After completion of 3 years	$0

Lake Stevens Police Department
Lateral Police Officer Hiring Incentive
And Repayment Agreement

This Agreement made on this ____ day of ______________, 20___ between the City of Lake Stevens (City) and __________________________________, a lateral hire Police Officer.
Whereas, the City offers a hiring incentive to attract lateral Police Officers with experience; and
Whereas, acceptance of the hiring incentive is voluntary and is not condition of employment with the City of Lake Stevens; and
Whereas, I acknowledge that I have been offered a position as a Lateral Police Officer; and
Whereas, I acknowledge that I am qualified for the hiring incentive for Lateral Police Officer with ___ years of fully commissioned, full-time, civilian law enforcement experience with a city, county, state, or federal agency; have successfully completed the Washington State Criminal Justice Training Commission (WACJTC) Basic Law Enforcement Academy or an equivalent academy as determined by (WACJTC); and have successfully completed a Field Training Program (FTO) with a city, county, state, or federal agency; and
Whereas, I wish to accept the hiring incentive;

Therefore, it is agreed by and between the parties hereto, in consideration of the mutual promises herein and other good and valuable consideration, that:

The City shall pay _____________ $XXXXX.XX on the first full pay period after their date of hire of ________________.

The City shall pay _____________ $XXXXX.XX on the first full pay period upon their successful completion of probation.

If employee is separated from employment as a Police Officer for any reason prior to working 3 years, they will be required to repay a prorated amount of the incentive to the City of Lake Stevens. The Lateral Police Officer Payout and Repayment Schedule is attached. The employee's final paycheck will be reduced by the final prorated amount owed. If the final paycheck is insufficient to cover the balance owed, __________________ acknowledges that they will pay the remaining balance owed to the City within 30 days of separation.

Lateral Police Officer (Employee) City of Lake Stevens

_______________________________ _____________________________

Jane Smith (signature) (Representative Name)

Date: ________________ Date: ____________________

The Lateral Police Officer Payout and Repayment Schedule:

1-2 Years of Full Time Commissioned Law Enforcement Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $7,500 (First Pay Period)	First paycheck distribution < End of Probation	$7,500
2nd $7,500 (End of Probation)	End of Probation to < 24 Months	$15,000
	24 months < 36 months (3 years)	$7,500
	After completion of 3 years	$0

2-5 Years of Full Time Commissioned Law Enforcement Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $10,000 (First Pay Period)	First paycheck distribution < End of Probation	$10,000
2nd $10,000 (End of Probation)	End of Probation to < 24 Months	$20,000
	24 months < 36 months (3 years)	$10,000
	After completion of 3 years	$0

5+ Years of Full Time Commissioned Law Enforcement Experience:

Payment Installments	Repayment Timeframe	Repayment Amount
1st $12,500 (First Pay Period)	First paycheck distribution < End of Probation	$12,500
2nd $12,500 (End of Probation)	End of Probation to < 24 Months	$25,000
	24 months < 36 months (3 years)	$12,500
	After completion of 3 years	$0

APPLICABLE CITY POLICIES:

ATTACHMENTS:

None

CITY COUNCIL
STAFF REPORT

Agenda Date: 5/24/2022

Subject: Contract with Data Transfer Solutions for deployment of VUEWorks

Contact Person/Department: Troy Stevens, Information Technology

Budget Impact: $100,000 (3-year)

Legal Review: Yes

RECOMMENDATION(S)/ACTION REQUESTED:

Authorize the Mayor to execute the proposed contract with Data Transfer Solutions substantially in the form included with the agenda materials

SUMMARY/BACKGROUND:

The software committee concluded its investigation into the city's current software solutions to see where we could consolidate and/or improve operational efficiencies across departments. One primary driver behind this is the APWA accreditation for the Public Works department. This led to an RFP for a new Permitting/Land Use and Public Works GIS Asset Management solution. The summary conclusion from this committee is based on the TCO and ROI as well as the time commitment for employees to learn a new solutions was to reengage our existing solutions and work with current vendors to build these systems for our specific business needs. To be able to meet our accreditation timeline, we felt it was necessary to get this contract in front of you for approval. This is a 3-year professional service contract with a not to exceed amount of $100,000, and will be executed by submitting supplemental work agreements with well defined sets of objectives and outcomes targeted to each of the various aspects of designing and implementing a fully functional solution that aligns with each department's needs for this solution. The funding for this has been discussed and agreed upon to come from the ARPA funding.

The included document "Attachment A - VUEWORKS SOW" includes first agreements under this contract which include the upgrade from our current licensing to the full

Enterprise Suite of this solution, and the current subscription renewal and maintenance for the existing solution in the amount of $34,000.

APPLICABLE CITY POLICIES:

ATTACHMENTS:

1. Attachment A - VUEWORKS SOW
2. Data Transfer Solutions

vueworks

SOFTWARE LICENSE AND SERVICES AGREEMENT

This Software License and Services Agreement ("Agreement") is entered into as of the Effective Date specified below by and between Data Transfer Solutions, LLC, a Florida limited liability company having its principal place of business at 3680 Avalon Park East Boulevard, Suite 200, Orlando, Florida 32828 ("DTS") and the client specified below ("Client"), whose address is specified below. For good and valuable consideration, DTS and Client agree as follows:

This Agreement consists of the following:

- This cover/signature page (the "Signature Page");
- The Order Form(s) attached as Exhibit A hereto and signed by the parties (the "Order Form(s)");
- The Statement(s) of Work attached as Exhibit B hereto and signed by the parties ("Statement(s) of Work");
- The terms and conditions attached as Exhibit C hereto (the "Terms and Conditions"); and
- The support services terms attached as Exhibit D hereto (the "Support Services Terms").

Each of the above-referenced exhibits are incorporated herein by reference. In the event of a conflict or inconsistency between or among the terms included in the attached Terms and Conditions, this Signature Page, an Order Form, a Statement of Work or the Support Services Terms, the order of precedence shall be: (i) Statement of Work; (ii) Order Form; (iii) Signature Page; (iv) the Terms and Conditions; and (v) the Support Services Terms.

Effective Date: _____________	
Client: City of Lake Stevens, WA **Address:** **1812 Main Street | PO Box 257** **Lake Stevens, WA 98258**	**Contact Person:** Troy Stevens **Telephone Number:** (425) 622-9416 **Fax Number:** ____________________________ **E-mail:** tstevens@lakestevenswa.gov

Should Client have any questions concerning this Agreement, or if Client desires to contact DTS for any reason, please contact DTS at info@dtsgis.com .

The parties, by and through their undersigned duly authorized officers, have signed below to indicate their acceptance of and agreement with the terms of this Agreement:

DTS:

DATA TRANSFER SOLUTIONS, LLC

By:_____________________________________
Name: Donna Huey
Title: President

Client:

CITY OF LAKE STEVENS, WA

By:_______________________________
Name:_____________________________
Title:______________________________

EXHIBIT A
ORDER FORM

This Order Form (“Order Form”) is entered into by and between Data Transfer Solutions, LLC (“DTS”) and ___________________ (“Client”) subject to the Software License and Services Agreement entered into by and between DTS and Client (the “Agreement”) and shall have an effective date as the Signature Page hereto of this Agreement (“Order Form Effective Date”). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

I. TERM: The initial term for this Order Form (the “Initial Term”) begins on the Order Form Effective Date and shall remain in effect for an initial period of five (5) years thereafter, subject to termination in accordance with the Terms and Conditions, and shall be automatically extended for successive one (1) year periods (each, a “Renewal Term”) unless either Client or DTS gives the other written notice of termination at least sixty (60) days prior to the end of the Initial Term or any Renewal Term or until terminated in accordance with the provisions of the Terms and Conditions.

II. SOFTWARE; SERVICES; FEES: Client hereby orders and purchases from DTS the following software and/or services (collectively, the “Services”) and agrees to pay the applicable fees specified below:

Software/Service Description	**Fee Description**	**Fee Amount ($US)**
X VUEWorks® Software Perpetual License	One-Time License Fee 25 Concurrent User Licenses and 2_VUEWorks application environments	$24,000.00 ($50,000 - $26,000 existing license credit)
X Technical Support and Maintenance	Recurring Annual Support and Maintenance Fee	$10,000.00
___Software Hosting * or	Recurring Annual Hosting Fee Maximum data storage	$N/A
___VUEWorks® Software as a Service (SaaS)	Recurring Annual SaaS fee includes license, technical support and maintenance, and hosting ___ Concurrent Users Maximum data storage	$N/A
Implementation Services:*	[Fixed Fee/Hourly fee, $____/hr]	$N/A
Integration Services*	[Fixed Fee/Hourly fee, $____/hr]	$N/A
Training Services*	[Fixed Fee/Hourly fee, $____/hr]	$N/A
Other Professional Services*	[Fixed Fee/Hourly fee, $____/hr]	$N/A
	Total Fees Due :	$34,000.00

*** To be furnished pursuant to the Statement of Work attached hereto, which is incorporated herein by reference.** The Software; Services; Fees in Table II. Exclude any administration or assessment fee levied by the client unless expressly stated therein. All amounts in this Agreement are stated exclusive of Value Added Taxes, Sales Taxes, and indirect or turnover taxes. Any such taxes required to be charged will be separately stated on the invoice in addition to the total fees.

Payment Terms: The Implementation Fees are due in accordance with the Statement of Work attached hereto, which is incorporated herein by reference. The [License Fees/first installment of the SaaS License Fees, first installment of the Support and Maintenance Fee and first installment of the hosting fee if applicable are payable upon execution and delivery of the Agreement. Subsequent [monthly/annual] recurring fees (Support and Maintenance Fee, and/or Hosting Fee as applicable) are due on or before the first day of the applicable year. [DTS will invoice Client in advance of the applicable year.]

III. AUTHORIZED USERS:

Authorized Users: Users of the following Client entities:
City of Lake Stevens employees and City authorized contractors for work related to the City of Lake Stevens.

IV. ADDITIONAL TERMS:

The parties, by and through their duly authorized officers, have signed to indicate their acceptance of the terms of this Order Form on the Signature Page hereto.

EXHIBIT B
STATEMENT OF WORK

This Statement of Work ("Statement of Work") by and between Data Transfer Solutions, LLC ("DTS") and ________________ ("Client") pursuant to that certain Software License and Services Agreement entered into by and between DTS and Client (the "Agreement") and shall have an effective date as of the Signature Page hereto of this Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

1. **Scope of Implementation, Training and Other Professional Services**. The Services to be provided under this Statement of Work consist of implementation, training and other professional services described below for implementation and use of the VUEWorks Software by Client and its authorized users as specified in the Order Form:

A. Implementation Services: Implementation and configuration of the VUEWorks Software including the following:

N/A

B. Training Services: Provision of training materials and training support to Client for use of the VUEWorks Software, not to exceed __ hours.
N/A

C. Other Professional Services: Delivery of upgraded VUEWorks Software License

D. Hosting Services N/A

2. **Assumptions**.

- Client will be solely responsible for the provision, accuracy and completeness of all Client Data or other Client content and shall have obtained and shall maintain all necessary rights to use same and provide same to DTS as necessary for the provision and use of the VUEWorks Software.

- Any Client-end proprietary software and hardware and any third party licenses or other authorizations required for DTS to access, communicate with, or otherwise use Client-end software or hardware as reasonably necessary for DTS to provide the VUEWorks Software and for Client to access and use the VUEWorks Software will be obtained and/or otherwise provided by Client. Client will have installed and made operational any Client-end hardware and software necessary for communication with the VUEWorks Software prior to DTS beginning implementation.

Client is responsible to meet the technical requirements as defined for VUEWorks.

- Client will provide in a timely manner all necessary access to Client systems and facilities and such reasonable cooperation to DTS in order for DTS to perform the Services.

- DTS will perform the Implementation Services and Training Services remotely from its own offices during its regular business hours.

- Client will provide a primary contact person to assist in the creation of the implementation plan and to otherwise consult with during the course of the performance of the Statement of Work. This person will be available as needed through the kick-off and the implementation and test phases. If needed, an additional Client contact will be designated who will be authorized to sign for Client at the completion of the phases of the implementation.

- Client will provide the resources necessary to identify, evaluate and resolve Client-end system, hardware, software or communications problems, which may involve, without limitation, communications facilities, services, cabling and capacities or Client-end system software/hardware configuration. If a third party vendor of any such Client-end hardware or software is required to perform certain test or configuration functions on such hardware or software, Client will arrange and pay for such assistance by the vendor(s). Any delays caused by Client or its other vendors will be addressed by lengthening the implementation schedule by the period of such delays and/or as otherwise agreed to by the parties.

If any of the above-described assumptions are inaccurate, or there is a delay in accomplishing the assumptions or circumstances change, the schedule, duration, scope and other terms of this Statement of Work shall be subject to change. The parties will enter into an amendment to this Statement of Work setting forth the changed terms and any additional applicable fees or other charges.

3. **Implementation Schedule**.

{INSERTION}

Implementation Item	Scheduled Date
Delivery of Upgraded VUEWorks Software License	Upon Contract Exec.

The parties, by and through their duly authorized officers, have signed to indicate their acceptance of the terms of this Statement of Work on the Signature Page hereto.

EXHIBIT C

TERMS AND CONDITIONS

1. Services. Subject to Client's payment of the applicable fees and charges and performance of its obligations under the Agreement, DTS agrees to provide the VUEWorks Software, Implementation Services, Training Services and Professional Services (each as defined below) (the VUEWorks Software, Implementation Services, Training Services and Professional Services are sometimes hereinafter collectively referred to as the "**Services**").

1.1 VUEWorks Software; Installed Software; Hosted Software. Subject to payment of the applicable fees specified in the Order Form (the "**License Fees**") and Client's compliance the terms and conditions of this Agreement, DTS shall provide to Client, for use by the Client's authorized users as specified in the applicable Order Form solely for Client's internal use, access to and use of the software and/or software services described in the applicable Order Form (the "**VUEWorks Software**") while the Agreement is in effect. Client acknowledges and agrees that Client's authorized users shall be limited to Client's active users and their use of the VUEWorks Software shall be limited to use during the period in which they are employed by Client, unless otherwise approved by DTS in writing. The applicable Order Form will indicate whether the VUEWorks Software or components thereof will be provided for installation on Client systems or devices and/or will be provided as an online software service hosted by DTS or its designated hosting service provider(s) ("**Hosted Software**"). The VUEWorks Software is licensed to Client on a limited, nonexclusive, non-transferable, non-sublicenseable and revocable basis, and no portion of the VUEWorks Software is sold to Client. All rights not expressly granted to Client hereunder are reserved by DTS. If Client will be given access to use the VUEWorks Software as Hosted Software, DTS shall undertake commercially reasonable efforts to make such Hosted Software available in accordance with the availability standards provided in Exhibit D to the Agreement.

1.2 Implementation Services. DTS shall provide the implementation services ("**Implementation Services**") as specified in the applicable Order Form in accordance with the statement(s) of work (each a "**Statement of Work**") accompanying the applicable Order Form. **1.3. Training Services.** DTS shall provide the training services ("**Training Services**") relating to access and use of the VUEWorks Software specified in the applicable Order Form and Statement of Work. Training Services shall be provided remotely via video conference or remote access to Client's and/or its authorized users' computers during DTS's regular business hours unless otherwise specified in the applicable Order Form.

1.4 Support Services; Other Professional Services. DTS will provide basic support services to Client in accordance with DTS's standard support procedures to address reported incidents of the VUEWorks Software not being accessible or not performing properly when used by Client's authorized users in accordance with the Agreement and all applicable documentation. Support services that are made necessary due to improper use, tampering or lack of proper configurations, settings, or other issues attributable to Client-end hardware, software or connectivity or otherwise not relating to issues with the DTS systems or the VUEWorks Software shall be chargeable by DTS and shall be paid for by Client at DTS's then current service rates unless otherwise agreed to by DTS. Unless otherwise agreed to by the parties in an Order Form or Statement of Work, DTS shall have no obligation or responsibility with respect to maintenance, repair or support of any software or hardware not supplied by DTS. Except as expressly provided otherwise in the applicable Order Form, it shall be Client's and its authorized users' sole responsibility to maintain their own system security and protect their data, including virus protection, data backup and reasonable security procedures. DTS will also provide to Client other professional services ("**Professional Services**") as Client may request from time to time, subject to the parties agreeing on the terms for such Professional Services, which shall be set forth in the applicable Order Form and Statement of Work. All Professional Services will be billed on a time and materials basis unless otherwise agreed to by the parties. The Statement of Work shall describe the project assumptions, specifications, scope, work plan, responsibilities, duration and fees for such Professional Services. DTS may subcontract all or a portion of the Professional Services to a qualified third party. In recognition that DTS's personnel may perform similar services for third parties, nothing in the Agreement or a Statement of Work shall be deemed to prevent DTS from providing services or developing materials that may be perceived as competitive with those developed or provided hereunder.

1.5 Data Maintenance. If Client is purchasing rights to access the VUEWorks Software as Hosted Software, Client shall deliver to DTS Client Data, in a format specified by DTS. The total amount of Client Data is limited to the Client Data Amount set forth in this agreement. Client may request that DTS provide services to update Client Data. DTS shall invoice Client for such requested services at its then current data maintenance rates (the "**Data Maintenance**"). "**Client Data**" means Client's VUEWorks Software database files and all other electronic content and data stored on DTS's computers for use by Client with the VUEWorks Software. The amount of Client Data to be stored shall be measured in bytes and be limited to the amount of disk space provided in this agreement. Procedures by which Client may store and access Client Data via DTS's servers shall be limited to the use of the Hosted Software. Client acknowledges that DTS shall have no obligation to return to Client any Client Data if Client has not paid all amounts due hereunder or does not comply with the notice procedure with respect to the return of Client Data set forth hereunder.

1.6 Exclusions from the Service. The Services do not include, and DTS shall not be responsible for, the following in the provision of the VUEWorks Software, other than the Implementation Services described in the Order Form(s) and Statement(s) of Work to the Agreement: (a) the provision of Client or User-end hardware or non-DTS software required for access to and use of the VUEWorks Software via the Internet, or any Professional Services required to manage such hardware and non-DTS software; (b) services to modify or extend the scope of the VUEWorks Software; (c) assistance to resolve VUEWorks Software problems or errors that are not within the scope of the support services as described in DTS's standard support terms; (d) modification to the VUEWorks Software configuration, including without limitation, the following: (i) modification to the connectivity configuration for on-premise and cloud-based applications, including without limitation, changing the IP address or application credentials; (ii) modification to Client's existing policies and roles for who has access to each resource, password rules or approvers; (iii) account reconciliation for new groups of users who are being added to the VUEWorks Software; (iv) adding a new connected system or application to the VUEWorks Software; and (v) modifying the configuration of the user interface, including the appearance, text, branding or other features.

1.7 Additional VUEWorks Software, Professional Services and/or Authorized Users. Client may purchase additional VUEWorks Software or Professional Services and/or add authorized users for use of the VUEWorks Software under the terms of the Agreement at then current pricing or such other pricing as may be mutually agreed to by DTS and Client by contacting DTS and completing an Order Form or amendment to Order Form and paying the applicable fees and charges.

2. Fees and Billing.

2.1 Fees. Client shall pay all fees specified in the Order Form in accordance with the payment terms set forth herein unless other payment terms are specified in the applicable Order Form. All fees are non-refundable unless expressly agreed otherwise.

2.2 Billing and Payment Terms. Unless otherwise specified in the applicable Order Form, all upfront fees are due on the Effective Date, License Fees are invoiced, payable and due in advance of the applicable month or year, as applicable, and other fees shall be invoiced in arrears at the beginning of every calendar month and shall be due within thirty (30) days after the invoice date. All payments must be made in U.S. Dollars. Late payments hereunder will accrue interest at a rate of 1½% per month, or the highest rate allowed by applicable law, whichever is lower. In the event of non-payment (subject to the cure period in section 8.2(b)), DTS may suspend or terminate access to and/or use or provision of the Services upon notice to Client. DTS reserves the right to make changes to fees, prices and other billing and payment terms upon at least sixty (60) days' written notice.

2.3 Taxes. If any federal, state, local or foreign sales, use, property, value-added, excise or gross receipts taxes or any other taxes or other governmental charges of any kind (other than DTS's income taxes) are imposed or are otherwise payable with respect to any access to or use of the VUEWorks Software or any license, software, hardware or other goods or Implementation, Training, support, or other Professional Services provided under the Agreement, then such taxes and other charges shall be billed to and paid by Client. If Client is exempt from payment of any taxes, Client is responsible for providing DTS with a valid tax exemption or direct pay certificate for same; otherwise Client remains responsible for all such taxes and other governmental charges.

3. Client's Obligations.

3.1 Client shall: (a) be solely responsible for all of Client's users' compliance with the Agreement and shall comply and cause its users to comply with all applicable laws in their conduct of their business and their use of the VUEWorks Software; (b) be solely responsible for the accuracy, integrity, and legality of Client Data and of the means by which it acquires and enters Client Data; (c) use the VUEWorks Software only in accordance with all documentation provided with the VUEWorks Software and all applicable laws and regulations; and (d) notify DTS immediately of any unauthorized use of any password, account, copying or access to the VUEWorks Software. Any failure of Client's users to comply with the terms of the Agreement shall constitute a material breach of the Agreement by Client. Client will maintain industry standard organizational and technical security safeguards for data accessed, stored, collected, provided or processed by Client's users through the VUEWorks Software.

3.2 Prohibited Conduct. Client shall not, and shall not permit its authorized users to, directly or indirectly: (a) send or store spam, unlawful, infringing, obscene, or libelous material, or Malicious Code through the VUEWorks Software; (b) sublicense, resell, rent, lease, distribute, market, provide service bureau services or other software services to third parties using or based upon the VUEWorks Software, or commercialize or otherwise transfer or provide rights with respect to, or access to or usage of the VUEWorks Software; (c) remove or alter any copyright, trademark or proprietary notice in the VUEWorks Software; (d) reverse engineer, decompile, disassemble or modify the VUEWorks Software or any component thereof or attempt to derive or otherwise obtain the source code for the VUEWorks Software; (e) copy any ideas, features, functions or graphics of the VUEWorks Software or create a product or service using the same or similar ideas, features, functions or graphics as those in the VUEWorks Software, or otherwise use the VUEWorks Software or any DTS Confidential Information for purposes of creating a substitute or otherwise competing product or service; (f) conduct automated functionality tests or load tests on the VUEWorks Software; (g) create Internet links to the VUEWorks Software; or (h) "frame," "fork" or "mirror" any part of the VUEWorks Software on any other device. DTS may terminate this Agreement immediately if Client or its authorized users violate this Section 3.2. "**Malicious Code**" means viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents, or programs. DTS may suspend Client's access to the VUEWorks Software (in whole or in part) for any of the following reasons: (i) to prevent damages to, or degradation of, the VUEWorks Software or DTS systems; (ii) to comply with any law, court order, or other governmental request; (iii) to otherwise protect DTS from potential legal liability; (iv) if Client violates the terms of this Agreement and fails to remedy such breach within the time frame set forth herein; or (v) in the event an invoice remains unpaid for more than thirty (30) days after the date on which payment is due under such invoice. DTS shall use reasonable efforts to provide Client with notice before or promptly following any suspension of access to the VUEWorks Software. DTS shall restore access to the VUEWorks Software as soon as the event giving rise to suspension has been resolved to DTS's satisfaction. Nothing in this Agreement shall be construed as imposing any obligation or duty on DTS to monitor Client's use of the VUEWorks Software or the data or other content uploaded by Client or its authorized users.

4. Confidential Information.

4.1 Confidential Information. Each party acknowledges that it will have access to certain confidential information of the other party concerning the other party's business, plans, customers, technology, products and services, and including the terms and conditions of this Agreement (collectively, "**Confidential Information**"). For avoidance of doubt, any non-public information regarding the VUEWorks Software and software services and technology, know-how, trade secrets and proprietary information used and/or embodied therein, and any analytics or work product created by DTS resulting therefrom is and shall be Confidential Information belonging to DTS. Each party shall not use in any way, for its own account or the account of any third party, except as expressly permitted by this Agreement, nor disclose the other party's Confidential Information to any third party (except as required by law or to that party's employees, contractors, agents, users, attorneys, accountants and other advisors as reasonably necessary) without the prior written consent of the other party, and shall take reasonable precautions to protect the confidentiality of such Confidential Information, using the same degree of care that it uses to protect its own information of similar importance, but will in any case use no less than a reasonable degree of care to protect Confidential Information. The employees of a party that receive disclosure of the other party's Confidential Information shall only receive same in the normal course of the applicable party's business and only on a need-to-know basis; provided; each such employee must either have agreed in writing to comply with confidentiality obligations no less restrictive than those set forth herein or must be bound by a recognized professional ethical duty of confidentiality that would prohibit disclosure of such Confidential Information. If disclosure is required by law, statute, rule, regulation, or regulatory or administrative body (including any subpoena or other similar form of process), the party to which the request for disclosure is made shall (to the extent permissible by law) provide the other party with prior prompt written notice thereof and, if practicable under the circumstances, allow the other party to seek a restraining order or other appropriate relief. The party required to make such disclosure will cooperate with the efforts of the other party in obtaining such relief. If such relief cannot be obtained, the party required to disclose the Confidential Information shall cooperate with the other party's efforts to obtain reasonable assurances that confidential treatment will be accorded to the information so disclosed.

4.2 Exceptions. Information will not be deemed Confidential Information if such information: (a) is known to the receiving party prior to receipt from the disclosing party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (b) becomes known (independently of disclosure by the disclosing party) to the receiving party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (c) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the receiving party; or (d) is independently developed by the receiving party without use of the disclosing party's Confidential Information.

5. Proprietary Rights

5.1 DTS Intellectual Property. DTS and/or its licensors own the "DTS Intellectual Property" (as defined below) in and to the VUEWorks Software and the Services and the software and technology used and/or embodied therein, and, in each case, any modifications, enhancements or improvements thereto created by or for DTS. This Agreement does not convey or transfer any ownership rights in any DTS Intellectual Property or any software or technology used and/or embodied in the Services. The DTS name, logo, and trade names are trademarks of DTS and no right is granted to use them except as expressly granted herein. DTS reserves all rights, title, and interest in and to the Services, including, without limitation, all software (including object code and source code), algorithms, databases, inventions, works of authorship, trade secrets and other DTS Intellectual Property. "**DTS Intellectual Property**" means any patents and patent applications, copyrights, trademarks, service marks and any applications or registrations for same, trade names, domain name rights, trade secret rights, and all other intellectual property rights with respect to DTS products, Services, software or other works of authorship and/or other DTS assets. Client acknowledges and agrees that, except for the access and usage authorization provided by DTS to Client with respect to the VUEWorks Software specified in the Order Form, it shall not acquire or otherwise have any right, title or interest in and to any of the VUEWorks Software or any other software or other work of authorship, invention, concept, process, trade secret, proprietary information, trademark, service mark or other intellectual property or work product developed by DTS independently or by DTS with Client's input ("**DTS Work Product**"). Under no circumstances shall the disclosure of any such DTS Work Product or delivery of any copy of any DTS Work Product by DTS to Client be construed as a transfer of title to that copy or a transfer of any right, title or interest in such DTS Work Product, except for the usage authorization granted to Client as set forth in the Agreement. Client is not authorized to, and shall not undertake, to create any system, service, product, software or other work of authorship, invention, concept, process, trade secret, proprietary information or other intellectual property based upon, copying or otherwise including or using functions, features, style, form or other elements of the VUEWorks Software or other DTS Intellectual Property. To the extent that, notwithstanding the foregoing, Client employees or contractors conceive of, develop or otherwise create, whether separately or jointly with DTS, any such software or other work of authorship, invention, concept, process, trade secret, proprietary information, data, or other intellectual property, or work product based upon, copying or otherwise including or using functions, features, style, form or other elements of the VUEWorks Software or other DTS Intellectual Property ("**Client Work Product**") then Client shall assign and hereby does assign, and shall cause its employees and contractors to assign, to DTS all rights, title and interests with respect to such Client Work Product, and, to the extent necessary for Client to use the VUEWorks Software as contemplated hereunder, such Client Work Product shall be deemed to form part of the VUEWorks Software or other DTS software provided for use as a service to Client subject to the terms and conditions of the Agreement. It is recognized and understood that DTS may develop new software or modify its existing software based upon the suggestions and recommendations provided by Client, and that except as otherwise expressly agreed to by DTS in writing signed by a duly authorized officer of DTS, Client shall have no right, claim or interest in such new or modified software developed by DTS.

5.2 Client Data; License of Client Data for Analytical Purposes; Ownership of Analytics Data. Client shall own the intellectual property rights, if any, in and to Client Data, which includes Client employee personal data (as defined below). Client hereby grants to DTS a non-exclusive, worldwide, royalty-free right and license to receive, retrieve, process, administer, transmit and otherwise use any Client Data or content as necessary to provide the VUEWorks Software in accordance with the Agreement or as required by court order, applicable law or other legal requirement. Additionally, Client hereby grants to DTS an irrevocable, perpetual, worldwide, royalty-free, fully paid transferable and sublicensable license and right to use Client Data for analytical purposes. DTS may also use Client employee personal data in accordance with the DTS Privacy Policy which is posted online at Privacy Policy, as may be amended or modified from time to time, and Client's employees are required to agree to and consent to said Privacy Policy as a condition to their use of the VUEWorks Software. DTS shall own and have the right to gather, retrieve, compile, store, retain, use, sell, license, transfer or otherwise exploit all information that is not personal data for research, quality control, product development and refinement, commercial and other purposes as determined by DTS without a duty to account to or obtain consent from Client or Client's authorized users or any third party. As used herein, "**personal data**" is any data element or collection of data elements that can be associated with a specific individual, whether by itself or in combination with other information. DTS may use such information as may be reasonably necessary in connection with performing, providing, developing, enhancing, supporting, and maintaining the Services; and (ii) in connection with the creation of any information or data derived from use of the VUEWorks Software (including, without limitation, metrics and analytics related to such use), which does not identify a specific person, including as may be required to develop, deliver and provide ongoing innovation to the VUEWorks Software. DTS shall own all intellectual property rights with respect to any analytics and analytical data, work of authorship or other work product created or otherwise acquired based on analysis of Client Data by DTS or its contractors.

5.3 Suggestions. Client hereby grants and shall cause its users to grant to DTS an irrevocable, perpetual, worldwide, royalty-free, fully paid transferable and sublicensable license and right to use, copy, modify, make derivative works based upon, distribute or otherwise exploit, including by incorporating into the VUEWorks Software any suggestions, enhancement requests, recommendations or other feedback provided by Client, including Client's authorized users, relating to the VUEWorks Software, and shall exclusively own all intellectual property rights in and to all software, technology, inventions, works of authorship and other developments created by DTS based on same.

6. Representations and Warranties.

6.1 Mutual Representations and Warranties. Each party represents and warrants to the other party that it has all necessary power, right and authority to enter into this Agreement and perform its obligations hereunder, and that its entering into this Agreement does not violate the terms of any agreement between it and any third party.

6.2 Client Representations and Warranties. Client represents, warrants and covenants to DTS that: (a) Client owns all right, title and interest in and to, and/or has full and sufficient authority to use and provide access to DTS to all Client systems, software, materials or data furnished by Client or its authorized users as contemplated for the provision of the Services; (b) Client will procure, and comply with the terms and conditions of, any licensing or other agreements which govern the use of any third party software, data or other materials or intellectual property used in or forming part of the Client systems, software, materials or data; (c) the Client's systems, software, materials and/or data do not and will not infringe the patent, copyright, trademark or other intellectual property rights of any party, or constitute libel, slander, defamation, invasion of privacy, or violation of any right of publicity or any other third party rights; (d) Client has or will obtain all necessary consents, permissions, clearances, authorizations and waivers (including any of the foregoing required from its employees and other authorized users) for the access to and use of the Client's systems, software, materials and data as contemplated hereunder, including all of the foregoing required to transfer and use data from Client and/or or its authorized users' or other systems to and from DTS systems in connection with providing the VUEWorks Software and all consents, permissions and authorizations; and (e) Client is presently in compliance with, has complied and will comply with all laws, rules, regulations and other legal requirements in the conduct of its business and with respect to Client's use of the VUEWorks Software and Client's systems, software, materials or data. Specifically, but without limitation, Client further represents and warrants with respect to all Client Data that (i) it has obtained all rights, consents, and permissions necessary to input the Client Data into the VUEWorks Software and to grant the foregoing rights to DTS, (ii) Client's use, copying, displaying, and distribution of the Client Data complies with all federal, state, and/or local laws, rules, regulations and/or ordinances and the terms and policies (including terms of use and privacy and security policies) of all websites from which the Client Data originated and all websites to which the Client Data is copied, distributed, displayed, or published using the VUEWorks Software, and (iii) the Client Data shall not include any personally identifiable healthcare data or financial data of any individual and/or any other data violative of third party rights and/or any applicable law, and/or any data relating to any person under the age of thirteen (13) years.

6.3 DTS Representations and Warranties. DTS represents and warrants that the VUEWorks Software shall substantially conform to the applicable descriptions and specifications for same set forth in the documentation for same and that Implementation Services and other Professional Services that it provides shall be performed in a professional and workmanlike manner. Client acknowledges and agrees that its sole remedy for breach of the foregoing representations and warranties shall be support services provided by DTS in accordance with DTS's standard support services terms.

6.4 Indemnification; Breach of Warranties. Client shall indemnify and defend DTS, its affiliates and their respective employees, officers, managers, directors, shareholders, agents, contractors and representatives (collectively, the "**DTS Indemnitees**") and hold the DTS Indemnitees harmless from and against any and judgments, losses, costs (including court costs and reasonable attorneys' fees), damages, settlements, suits, actions, expenses, liabilities, taxes, fines and claims asserted against, sustained, or suffered by or involving the DTS Indemnitees arising out of or resulting from (i) any breach by Client of its representations, warranties or obligations hereunder; and/or (ii) any claims made by Client's employees, any other authorized users or other third parties arising out of Client's or its employees' or other authorized users' use of or access to the VUEWorks Software or related to any other Services provided by DTS. In the event of any breach (subject to the cure period in section 8.2(b)), or reasonably anticipated breach, of any of Client's warranties herein, in addition to any other remedies available at law or in equity, DTS will have the right to immediately, in DTS's sole discretion, suspend access to, use or provision of the VUEWorks Software and/or any other Services if deemed reasonably necessary by DTS to prevent any liability for DTS. Client shall be solely responsible for the accuracy and completeness of all Client Data provided by Client or its authorized users in connection with the VUEWorks Software or the Services. DTS does not warrant the correctness, completeness, merchantability or fitness for a particular purpose of any such Client Data and Client shall indemnify, defend and hold the DTS Indemnitees harmless from any and all claims arising out of Client Data or its use.

6.5 Warranties and Disclaimers by DTS. EXCEPT AS EXPRESSLY PROVIDED OTHERWISE HEREIN, THE VUEWORKS SOFTWARE, INCLUDING, WITHOUT LIMITATION, THE HOSTED SOFTWARE, TECHNICAL SUPPORT, MAINTENANCE, DATA MAINTENANCE AND ANY OTHER SERVICES ARE PROVIDED "AS IS" AND "AS-AVAILABLE," WITH ALL FAULTS, AND WITHOUT WARRANTIES OF ANY KIND. DTS AND ITS VENDORS AND LICENSORS DISCLAIM ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT, QUALITY OF INFORMATION, AND TITLE/NON-INFRINGEMENT. CLIENT EXPRESSLY AGREES AND ACKNOWLEDGES THAT USE OF VUEWORKS SOFTWARE IS AT CLIENT'S SOLE RISK. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY DTS OR ITS AUTHORIZED REPRESENTATIVES CREATES ANY OTHER WARRANTIES OR IN ANY WAY INCREASES THE SCOPE OF DTS'S OBLIGATIONS UNDER THIS AGREEMENT. THE VUEWORKS SOFTWARE MAY BE USED TO ACCESS AND TRANSFER INFORMATION, INCLUDING CONFIDENTIAL INFORMATION, OVER THE INTERNET. CLIENT ACKNOWLEDGES AND AGREES THAT DTS AND ITS VENDORS AND LICENSORS DO NOT OPERATE OR CONTROL THE INTERNET AND THAT (A) VIRUSES, WORMS, TROJAN HORSES, OR OTHER UNDESIRABLE DATA OR SOFTWARE; OR (B) UNAUTHORIZED THIRD PARTIES (e.g., HACKERS) MAY ATTEMPT TO OBTAIN ACCESS TO AND DAMAGE CLIENT'S DATA, WEBSITES, COMPUTERS, OR NETWORKS. DTS WILL NOT BE LIABLE FOR ANY SUCH ACTIVITIES NOR WILL SUCH ACTIVITIES CONSTITUTE A BREACH BY DTS OF ITS OBLIGATIONS UNDER THIS AGREEMENT. The VUEWorks Software (including, without limitation, the Hosted Software) may include gateways, links, or other functionality that allows Client to access third party services ("**Third Party Services**") and third party content and materials ("**Third Party Materials**"). DTS does not supply and is not responsible for any Third Party Services or Third Party Materials, which may be subject to their own licenses, end-user agreements, privacy and security policies, and terms of use. ALL THIRD PARTY MATERIALS ARE PROVIDED AS-IS, WITHOUT WARRANTIES OF ANY KIND. DTS MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, RELATING TO ANY PRESENT OR FUTURE METHODOLOGY EMPLOYED IN ITS GATHERING OR REPRODUCING OF ANY THIRD PARTY MATERIAL, OR AS TO THE ACCURACY, CURRENCY, OR COMPREHENSIVENESS OF THE SAME. ALL OF THE FOREGOING EXCLUSIONS AND DISCLAIMERS IN THIS SECTION ARE AN ESSENTIAL PART OF THIS AGREEMENT AND FORMED THE BASIS FOR DETERMINING THE PRICES CHARGED FOR THE VUEWORKS SOFTWARE, INCLUDING, WITHOUT LIMITATION, THE HOSTED SOFTWARE, TECHNICAL SUPPORT, MAINTENANCE, DATA MAINTENANCE AND ANY OTHER SERVICE PROVIDED IN CONNECTION WITH THIS AGREEMENT. The VUEWorks Software may not be compatible with all devices, connection services, or service plans. Not all VUEWorks Software features are available to all clients or users. Availability may depend on a client's or user's location, device type, service plan, and other factors or restrictions.

6.6 Infringement. Should the VUEWorks Software and/or any other DTS software and/or service or use thereof become, or be likely to become in DTS's reasonable opinion, the subject of any claim that the same infringes, violates or constitutes a wrongful use of any intellectual property right, DTS may, at its option: (i) procure for Client the right to continue using the potentially infringing materials; (ii) replace or modify the potentially infringing materials to make them non-infringing, but substantially functionally equivalent; or (iii) terminate this Agreement. THE FOREGOING PROVISIONS OF

THIS SECTION STATE THE ENTIRE LIABILITY AND OBLIGATIONS OF DTS, AND THE EXCLUSIVE REMEDY OF CLIENT, WITH RESPECT TO ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT BY THE VUEWORKS SOFTWARE AND ANY OTHER DTS SOFTWARE AND/OR SERVICE.

7. Limitations of Liability.

7.1 Exclusions. DTS WILL NOT BE LIABLE TO THE CLIENT, ITS EMPLOYEES OR ANY OTHER AUTHORIZED USERS OR ANY THIRD PARTY FOR ANY LOST REVENUE, LOST PROFITS, REPLACEMENT GOODS, LOSS OF TECHNOLOGY, RIGHTS OR SERVICES, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, LOSS OF DATA, OR INTERRUPTION OF BUSINESS, EVEN IF DTS WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

7.2 Maximum Liability. DTS'S MAXIMUM AGGREGATE LIABILITY RELATED TO OR IN CONNECTION WITH THIS AGREEMENT AND/OR THE SERVICES WILL BE LIMITED TO THE TOTAL AMOUNT PAID BY CLIENT TO DTS HEREUNDER IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE OF THE FIRST EVENT GIVING RISE TO THE APPLICABLE LIABILITY.

7.3 Basis of the Bargain; Failure of Essential Purpose. Client acknowledges that DTS has set its prices and entered into this Agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth herein, and that the same form an essential basis of the bargain between the parties. The parties agree that the limitations and exclusions of liability and disclaimers specified in this Agreement will survive and apply even if found to have failed of their essential purpose.

8. Term and Termination.

8.1 Term. This Agreement will be effective commencing on the Effective Date, and continue until the expiration of the last terminated or expiring Order Form unless terminated sooner.

8.2 Termination.

(a) **[For Convenience.** DTS may terminate this Agreement upon no less than [two/six] month's written notice for any reason or no reason.] DTS shall have the right to terminate this Agreement upon providing written notice to Client if Client and/or any of its affiliates is or becomes a competitor of DTS.

(b) **For Cause.** Either party will have the right to terminate this Agreement, or the applicable Order Form, if the other party breaches any material term or condition of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice of the same, except in the case of Client's failure to pay fees, which must be cured within fifteen (15) days after receipt of written notice from DTS. Either party may also terminate this Agreement upon providing written notice thereof to the other party if: (i) the other party becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors; or (ii) the other party becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors, if such petition or proceeding is not dismissed within sixty (60) days of filing.

8.3 Effect of Termination. Upon the effective date of expiration or termination of this Agreement: (a) DTS may immediately cease providing access to and use of the Hosted Software and any other Services; however, upon Client's written request provided to DTS within thirty (30) days after the effective date of termination, DTS shall use reasonable efforts to assist Client in transferring Client Data to Client or another service provider (such services to be subject to DTS's customary fees on a time and materials basis unless otherwise agreed to by the parties); (b) any and all payment obligations of Client under this Agreement will become due immediately; (c) within thirty (30) days after such expiration or termination, each party shall return all Confidential Information and other property of the other party in its possession at the time of expiration or termination and shall not make or retain any copies of such Confidential Information except as required to comply with any applicable legal or accounting record keeping requirement. Client shall be required to pay the License Fees any other fees that are payable for the period that would remain had the Agreement not been terminated, unless the Agreement is terminated by Client based on an uncured material breach by DTS.

8.4 Survival. The following provisions will survive any expiration or termination of the Agreement: Sections 2, 3.2, 4-7, 8.3, 8.4 and 9.

9. Miscellaneous provisions.

9.1 Force Majeure. Except for the obligation to pay subscription fees and other amounts payable by Client to DTS hereunder, neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including act of war, acts of God, epidemics, pandemics or government ordered shutdowns, earthquakes, hurricanes, tornadoes or other windstorms, other storms or other elements of nature, embargo, riot, protests, civil disturbances, looting, sabotage, labor shortage or dispute or other industrial disturbances, systemic electrical, telecommunications, or other utility failures, governmental act or failure of the Internet, provided that the delayed party: (a) gives the other party prompt notice of such cause, and (b) uses its reasonable commercial efforts to correct promptly such failure or delay in performance.

9.2 Government Regulations. DTS provides software and uses software and technology that may be subject to U.S. export controls administered by the U.S. Department of Commerce, the U.S. Department of Treasury Office of Foreign Assets Control, and other U.S. agencies. Client shall not access or use the VUEWorks Software or otherwise transfer or export or re-export to countries that the United States maintains an embargo (collectively, "**Embargoed Countries**"), or to or by a national or resident thereof, or any person or entity on the U.S. Department of Treasury's List of Specially Designated Nationals or the U.S. Department of Commerce's Table of Denial Orders (collectively, "**Designated Nationals**"), each of which may change from time to time. By using the VUEWorks, Client represents and warrants that Client is not located in, under the control of, or a national or resident of, an Embargoed Country or Designated National. The VUEWorks Software may use encryption technology that is subject to licensing requirements under the U.S. Export Administration Regulations, 15 C.F.R. Parts 730-774. Client shall not export, re-export, transfer, or make available, whether directly or indirectly, any regulated item or information to anyone outside the U.S. in connection with this Agreement without first complying with all export control laws and regulations which may be imposed by the U.S. Government and any country or organization of nations within whose jurisdiction Client operates or does business.

9.3 Governing Law; Legal Proceedings, Severability. The Agreement shall be governed by and construed in accordance with the laws of the State of Florida without application of conflicts of laws rules or principles. Any legal proceedings relating to the terms, interpretation or performance of the Agreement will be brought and heard in the state or federal courts located in Orange County, Florida, and Client consents to such venue and personal jurisdiction therein for any such proceedings. EACH PARTY HEREBY IRREVOCABLY WAIVES THE RIGHT TO A JURY TRIAL. A printed version of the Agreement and of any notice given in electronic form shall be admissible in any legal proceedings based upon or relating to the Agreement to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form. In the event any provision of this Agreement is held by a court or arbitrator to be contrary to the law, the remaining provisions of this Agreement will remain in full force and effect.

9.4 Amendment; Waivers; Interpretation. DTS may update this Agreement from time to time. DTS will post the current version on the website in which the Hosted Software is provided or otherwise electronically via the Hosted Software. If Client does not agree to such an update, Client must immediately stop using the VUEWorks Software. By continuing to access or use the VUEWorks Software, Client confirms and acknowledges its acceptance of the updated Agreement. Except as otherwise provided herein, no amendment, rescission, or termination of this Agreement or any of its terms is effective unless it is in writing and signed by the party against whom enforcement is sought. A party does not waive any right under this Agreement by failing to insist on compliance with any term of this Agreement or by failing to exercise any right hereunder. Any waiver granted hereunder is effective only if it is written and signed by the party granting such waiver. A waiver of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision of this Agreement. The parties agree that the terms and conditions of this Agreement are a result of mutual negotiations. Therefore, the rule of construction that any ambiguity shall apply against the drafter is not applicable and will not apply to this Agreement. Any ambiguities shall be reasonably construed as to its fair meaning and not strictly for or against one party regardless of who authored the ambiguous language.

9.5 Assignment. Client may not assign its rights or delegate its duties under this Agreement either in whole or in part without the prior written consent of DTS. Any attempted assignment or delegation without such consent will be void. DTS may assign this Agreement in whole or part to an affiliate or in connection with a sale of all or substantially all of its assets. This Agreement will bind and inure to the benefit of each party's successors and permitted assigns. Except for DTS's suppliers and licensors, this Agreement shall not be construed to make any person or entity a third-party beneficiary hereof.

9.6 Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, or mailed by registered or certified mail, return receipt requested; postage prepaid to the address for the applicable party indicated in the first page of the Agreement, or at such other address as may hereafter be furnished in writing by either party hereto to the other. Such notice will be deemed to have been given as of the date it is delivered, mailed or sent, whichever is earlier. Notwithstanding the above, notices may be sent by email from DTS to Client or may be posted by DTS via the VUEWorks Software online on Client's account and shall be effective upon sending or posting.

9.7 Relationship of Parties. DTS and Client are independent contractors and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise or agency between DTS and Client. Neither DTS nor Client will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent, except as otherwise expressly provided herein.

9.8 U.S. Government-Restricted Rights. The software and accompanying documentation are deemed to be "commercial computer Software" and "commercial computer Software documentation," respectively, pursuant to DFAR Section 227.7202 and FAR Section 12.212, as applicable. Any use, modification, reproduction release, performance, display or disclosure of the Software and accompanying documentation by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by the terms of this Agreement.

9.9 Publicity. Client agrees that DTS may use Client's name and refer to Client directly or indirectly in any media release, public announcement, or public disclosure relating to this Agreement or its subject matter, including in any promotional or marketing materials and its website, lists and business presentations.

9.10 Entire Agreement; Counterparts. This Agreement, including the Order Forms and other exhibits and other documents incorporated herein by reference, constitutes the complete and exclusive agreement between the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior or contemporaneous discussions, negotiations, understandings and agreements, written and oral, regarding such subject matter. It is the complete and exclusive expression of the parties' agreement on the matters contained in this Agreement. No provision of this Agreement may be explained, supplemented, or qualified through evidence of trade usage or a prior course of dealings. In entering into this Agreement, neither party has relied on any statement, representation, warranty, nor agreement of the other party except for those expressly contained in this Agreement. This Agreement shall prevail over any terms and conditions appearing on Client's purchase orders or other ordering documents, regardless of when such purchase orders or other ordering documents are delivered to DTS to which notice of objection is hereby given. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

EXHIBIT D
SUPPORT SERVICES TERMS

Support services provided by DTS to Client with respect to access and use of the VUEWorks Software shall consist of the following:

(i) Telephone Help Desk. Telephone help desk support in English by telephone shall be available from [8:00 a.m. to 5:00 pm]. eastern time Monday through Friday. The telephone number for help desk support is: (800) 252-2402.

(ii) Email Support. Access to help desk support by email shall be available from [8:00 a.m. to 8:00 p.m. eastern time Monday through Friday. The e-mail address for email support is: support@vueworks.com

(iii) [Hosted Software Client Data Back-ups. DTS's back-up responsibilities with respect to the VUEWorks Software provided as Hosted Software consist of performing daily back-ups of Client Data on the DTS servers, including databases supported by DTS after setup by Client, such that all Client files and data can be recovered by DTS to the last recovery point in the event of loss.]

(iv) Identification of an Incident or Problem. An incident or problem shall be deemed to begin at the earliest time it is observed by DTS or reported to DTS by Client.

(v) Response Procedures. In responding to incidents or problems, DTS shall notify Client in reasonable detail in writing, as soon as reasonably practicable, and shall provide telephone or e-mail contact. Client shall ensure that their telephone numbers and e-mails may be accessed by individuals capable of providing back-up if Client representatives are unavailable. If DTS is unable to reach a particular Client representative, DTS will leave a message and attempt to contact any alternative contacts such Client representative may have designated.

(vi) DTS Response Obligations. DTS's specific response obligations shall consist of the following:

(a) Notify Client of the problem and provide an estimate of the time required to resolve the problem as soon as such an estimate is determined.

(b) Undertake commercially reasonable efforts to implement a permanent solution; if a permanent solution cannot be found, DTS shall undertake commercially reasonable efforts to implement and provide a temporary solution (either by bypassing or working around the problem) and will provide a permanent solution as soon as possible.

(c) Update Client regularly on progress in resolving problems.]

(vii) Client Reporting Obligations. Client agrees that it shall inform the DTS of any incidents or problems of which Client becomes aware as promptly as reasonably practicable.

(viii) Hosted Software Maintenance. DTS will use reasonable efforts to perform software updates in the production environment in coordination with the Client during off peak hours and shall perform any maintenance requiring scheduled downtime on the production environment only on weekend nights between the hours of [1:00 AM and 4:00 AM] eastern time and no more than two (2) times per calendar month unless required otherwise due to a security issue or other urgent issue. DTS shall use reasonable efforts to notify Client by email or telephone of any maintenance work which shall result in system downtime no less than [one (1) day] prior to the actual commencement of the downtime.

(ix) Hosted Software Availability. DTS shall use its commercially reasonable efforts to make the Hosted Software available to authorized users 99.9% of the time in each calendar quarter, less the periods of time during which the Hosted Software are not available due to one or more of the following events (collectively, "**Excepted Downtime**"):

(a) Maintenance. Maintenance as described in (viii) above.

(b) Unscheduled Maintenance. Unscheduled maintenance that is performed in response to a critical unforeseen circumstance, such as security vulnerability or performance issue.

(c) Client Acts or Omissions. The acts or omissions of Client or Client's employees, agents, contractors, vendors, or any end user or any other party gaining access to the Hosted Software by reason, directly or indirectly, of any act or omission of Client, including without limitation, the following:

- Non-availability of Client's connected systems or applications;
- Upgrades or changes made to Client's connected systems or applications without approval by DTS and other changes made to Client's connected systems or applications without sufficient time for DTS to prepare for Client's changes;
- Client's failure to implement, install and/or otherwise use updates and other modifications or recommendations from DTS;
- Client errors in integration of the VUEWorks Software; and
- Time waiting for Client to provide required information or to perform required actions.

(d) Network Failures. A failure of the Internet and/or telecommunications networks or issues attributable to DTS's hosting/web services provider; or

(e) Force Majeure. The occurrence of any event that is beyond DTS's reasonable control.

The parties acknowledge that, although DTS will use reasonable efforts to work with third parties to avoid and remedy any impairment or disruption in Hosted Software services availability, DTS cannot guarantee that such impairment or disruption will not occur or that it can be resolved if it occurs.

PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF LAKE STEVENS, WASHINGTON
AND Data Transfer Solutions
FOR CONSULTANT SERVICES

THIS AGREEMENT (“Agreement’) is made and entered into by and between the City of Lake Stevens, a Washington State municipal corporation (“City”), and Data Transfer Solutions a Limited Liability Company authorized to do business in the State of Washington, ("Consultant").

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, the parties hereto agree as follows:

ARTICLE I. PURPOSE

The purpose of this Agreement is to provide the City with consultant services as described in Article II. The general terms and conditions of the relationship between the City and the Consultant are specified in this Agreement.

ARTICLE II. SCOPE OF SERVICES

The Scope of Services is attached hereto as **Exhibit “A”** and incorporated herein by this reference (“Scope of Services”). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant’s profession.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 **MINOR CHANGES IN SCOPE**. The Consultant shall accept minor changes, amendments, or revision in the detail of the Scope of Services as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

> **Extra Work**. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the Scope of Services in the scope of services. Such work will be considered as extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 **WORK PRODUCT AND DOCUMENTS**. The work product and all documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Consultant shall default on this Agreement or in the event that this Agreement shall be terminated prior to its completion as herein provided, all work product of the Consultant, along with a summary of work as of the date of default or termination, shall become the property of the City. Upon request, the Consultant shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this Agreement. The summary of work done shall be prepared at no additional cost to the City.

Consultant will not be held liable for reuse of documents produced under this Agreement or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 **TERM.** The term of this Agreement shall commence upon full signing and shall terminate at midnight June 30, 2025 The parties may extend the term of this Agreement by written mutual agreement.

III.4 **NONASSIGNABLE**. The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 **EMPLOYMENT**.

a. The term "employee" or "employees" as used herein shall mean any officers, agents, or employee of the Consultant.

b. Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.

c. Consultant represents, unless otherwise indicated below, that all employees of Consultant that will provide any of the work under this Agreement have not ever been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please indicate No or Yes below)*

__X__ No employees supplying work have ever been retired from a Washington state retirement system.

______ Yes employees supplying work have been retired from a Washington state retirement system.

In the event the Consultant indicates "no", but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, Consultant hereby agrees to save, indemnify, defend and hold City harmless from and against all expenses and costs, including reasonable attorney's fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event Consultant affirms that an employee providing work has ever retired from a Washington State retirement system, said employee shall be identified by Consultant, and such retirees shall provide City with all information required by City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

III.6 INDEMNITY.

a. **Indemnification / Hold Harmless.** Consultant shall defend, indemnify and hold the City, its officers, officials, and employees harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the negligence of the City.

b. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant’s negligence.

c. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

d. **Public Records Requests.**
In addition to Paragraph IV.3 b, when the City provides the Consultant with notice of a public records request per Paragraph IV. 3 b, Consultant agrees to save, hold harmless, indemnify and defend the City its officers, agents, employees and elected officials from and against all claims, lawsuits, fees, penalties and costs resulting from the consultant’s violation of the Public Records Act RCW 42.56, or consultant’s failure to produce public records as required under the Public Records Act.

e. The provisions of this section III.6 shall survive the expiration or termination of this agreement.

III.7 INSURANCE.

a**.** **Insurance Term**
The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

b. **No Limitation**
The Consultant’s maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City’s recourse to any remedy available at law or in equity.

c. **Minimum Scope of Insurance - Consultant shall obtain insurance of the types and coverages described below:**

(1) Automobile Liability insurance covering all owned, non-owned, hired and

leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.

(2) Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO endorsement form CG 20 26.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Professional Liability insurance appropriate to the Consultant's profession.

d. **The minimum insurance limits shall be as follows:**
Consultant shall maintain the following insurance limits:

(1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.

(2) Commercial General Liability insurance shall be written with limits no less than $2,000,000 each occurrence, $2,000,000 general aggregate.

(3) Professional Liability insurance shall be written with limits no less than $2,000,000 per claim and $2,000,000 policy aggregate limit.

e. **Notice of Cancellation**. In the event that the Consultant receives notice (written, electronic or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Consultant shall immediately (within two business days of receipt of such notice) provide written notification of such cancellation/termination to the City.

f. **Acceptability of Insurers**. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

g. **Verification of Coverage**. In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Agreement before commencement of the work. Further, throughout the term of this Agreement, the Consultant shall provide the City with proof of insurance upon request by the City.

h. **Insurance shall be Primary - Other Insurance Provision.** The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

i. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

j. **City Full Availability of Consultant Limits.** If the Consultant maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.

k. **Subcontractors' Insurance.** The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement as least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

III.8 **DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION**. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 **UNFAIR EMPLOYMENT PRACTICES**. During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 **LEGAL RELATIONS**. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this Agreement. The Consultant represents that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this Agreement are fully qualified-and properly licensed to perform the work to which they will be assigned. This Agreement shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Agreement shall be in Snohomish County Superior Court.

III.11 **INDEPENDENT CONTRACTOR**.

a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents, warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Consultant shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.

c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

d. Prior to commencement of work, the Consultant shall obtain a business license from the City.

III.12 **CONFLICTS OF INTEREST.** The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant's client base and shall obtain written permission from the City prior to providing services to third parties where a conflict or potential conflict of interest is apparent. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

III.13 **CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

III.14 **SUBCONTRACTORS/SUBCONSULTANTS**.

a. The Consultant shall be responsible for all work performed by subcontractors/subconsultants pursuant to the terms of this Agreement.

b. The Consultant must verify that any subcontractors/subconsultants they directly hire meet the responsibility criteria for the project. Verification that a subcontractor/subconsultant has proper license and bonding, if required by statute, must be included in the verification process. The Consultant will use the following Subcontractors/Subconsultants or as set forth in Exhibit ____:

____

____

____

c. The Consultant may not substitute or add subcontractors/subconsultants without the written approval of the City.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 **PAYMENTS**.

a. The Consultant shall be paid by the City for services rendered under this Agreement as described in the Scope of Services and as provided in this section. In no event shall the compensation paid to Consultant under this Agreement exceed $100,000.00 without the written agreement of the Consultant and the City. Such payment shall be full compensation for work performed and services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work. In the event the City elects to expand the scope of services from that set forth in Exhibit A, the City shall pay Consultant a mutually agreed amount**.**

b. The Consultant shall submit a monthly invoice to the City for services performed in the previous calendar month in a format acceptable to the City. The Consultant shall maintain time and expense records and provide them to the City upon request.

c. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 **CITY APPROVAL**. Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the Scope of Services and City requirements.

IV.3 **MAINTENANCE/INSPECTION OF RECORDS**.

a. The Consultant shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

b. **Public Records.**

The parties agree that this Agreement and records related to the performance of the Agreement are with limited exception, public records subject to disclosure under the Public Records Act RCW 42.56. Further, in the event of a Public Records Request to the City, the City may provide the Consultant with a copy of the Records Request and the Consultant shall provide copies of any City records in Consultant's possession, necessary to fulfill that Public Records Request. If the Public Records Request is large the Consultant will provide the City with an estimate of reasonable time needed to fulfill the records request.

ARTICLE V. GENERAL

V.1 **NOTICES**. Notices to the City and Consultant shall be sent to the following addresses:

To the City:

City of Lake Stevens
Attn: City Clerk
Post Office Box 257
Lake Stevens, WA 98258
Telephone: 425-622-9412

To the Consultant:

Data Transfer Solutions

Receipt of any notice shall be deemed effective three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

V.2 **TERMINATION**. The right is reserved by the City to terminate this Agreement in whole or in part at any time upon ten (10) calendar days' written notice to the Consultant.

If this Agreement is terminated in its entirety by the City for its convenience, the City shall pay the Consultant for satisfactory services performed through the date of termination in accordance with payment provisions of Section IV.1.

V.3 **DISPUTES**. The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **EXTENT OF AGREEMENT/MODIFICATION**. This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

V.5 **SEVERABILITY.**

a. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

b. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

V.6 **NONWAIVER**. A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

V.7 **FAIR MEANING**. The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

V.8 **FORCE MAJEURE.** Consultant shall not be responsible for delays or failures in performance resulting from acts beyond its reasonable control. Such acts shall include, but not be limited to, acts of God, strikes, acts of war, epidemics, Government regulations superimposed after the fact, fire, communication line failures, power failures, earthquakes, acts of terrorism, or other disasters. Time of performance and compensation to Consultant shall be adjusted appropriately for any such event.

V.9 **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

V.10 **VENUE.** The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.

V.10 **COUNTERPARTS AND SIGANTURES.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement. Digital, electronic, and PDF signatures will constitute an original in lieu of the "wet" signature.

V.11 **AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT**. The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth below.

DATED this ______ day of ________ 2022.

CITY OF LAKE STEVENS	DATA TRANSFER SOLUTIONS, LLC
By:_____________________________________	By:_____________________________________
Gene Brazel, City Administrator	Donna Huey, President *Printed Name and Title*

Approved as to Form:

By:_____________________________________
Gene Brazel, City Administrator

CITY COUNCIL
STAFF REPORT

Agenda Date: 5/24/2022

Subject: Lakeview Flats Development Agreement (LUA2022-0036) / Resolution 2022-08

Contact Person/Department: Russ Wright, Community Development

Budget Impact: Revenue from property sale and future lease

Legal Review: Yes

RECOMMENDATION(S)/ACTION REQUESTED:

1. Hold Public Hearing
2. Approve Resolution 2022-08 and authorize the Mayor or designee to execute the Development Agreement; Purchase and Sale Agreement; and lease (with option to purchase) of additional real property.

SUMMARY/BACKGROUND:

Lakeview Flats, LLC applied for a Development Agreement (**Exhibit 1)** on March 07, 2022 to construct a 17,128 square foot, three-story mixed-use building at 1800 Main Street on real property owned by the City. The project is within the Downtown Lake Stevens Subarea. Revised application materials were received by the city on April 28, 2022 including a project narrative (**Exhibit 2**), a revised site plan (**Exhibit 3**), revised SEPA checklist (**Exhibit 4a**) and a revised Planned Action Checklist (**Exhibit 4b**). The city received a traffic report on May 4, 2022 (**Exhibit 5**). The building would include three tenant spaces, with proposed restaurant uses, and six residential units. The applicant has applied for separate administrative design review and construction plan applications, pending approval of the development agreement. The proposed development by Lakeview Flats, LLC will require their purchase of real property from the City together with their lease (with option to purchase) of additional real property from the City for construction of a parking lot necessary to augment parking needs for the mixed-use building.

A development agreement is a Type VI permit which requires action from the City Council following a public hearing. Staff, the City Attorney and representatives of Lakeview Flats, LLC have been coordinating the terms of the development agreement (**Exhibit 6**), the terms of sale and lease terms for the project property. A purchase and sale agreement and lease with option to purchase are attached to the Development Agreement as exhibits. Approval of the Development Agreement requires approval of the purchase and sale and lease agreements. Staff briefed City Council at its March 22, 2022 meeting about the scope of the project. Under state law (Chapters 36.70B.170 through 36.70B.210 of the Revised Code of Washington), Development Agreements are designed to provide certainty to the city and the developer for major projects or phased proposals. Significant topics include establishing development and design standards, permitted uses, impact fees, potential mitigation measures, phasing and vesting.

City staff provided required notice for the project on May 14, 2022 per Lake Stevens Municipal Code (LSMC) 14.16B.630 (**Exhibit 7**). The SEPA official issued a Planned Action Certificate on May 18, 2022 for the development agreement and subsequent project actions (**Exhibit 8**). Finding of fact and consistency with Lake Stevens Municipal Code (LSMC) 14.16C.055 Development Agreements / Decision Criteria are provided in Resolution 2022-08 (**Exhibit 9**).

If approved by the City Council, the Development Agreement will be recorded with Snohomish County. The agreement runs with the land and will be binding on the parties and their successors.

APPLICABLE CITY POLICIES:

LSMC 14.16C.055 Development Agreements

ATTACHMENTS:

1. Exhibit 1 -Application_Signed
2. Exhibit 2- Decision Criteria narrative
3. Exhibit 3 - Conceputal Site Plan
4. Exhibit 4.a - SEPA Checklist_City Comments
5. Exhibit 4.b - Planned Action Checklist_City Signed and Completed
6. Exhibit 5 - Traffic Report
7. Exhibit 6 - Development Agreement
8. Exhibit 7- Public Hearing Notice Lakeview Flats, LLC Development Agreement
9. Exhibit 8 - Planned Action Determination
10. Exhibit 9 - Resolution 2022-008_Lakeview Flats DA

RECEIVED

By Planning Department at 4:12 pm, Apr 28, 2022

CITY OF LAKE STEVENS

Planning and Community Development
1812 Main Street, P O Box 257
Lake Stevens WA 98258
Phone Number (425) 377-3235

To Be Completed By Staff
Date of Application: 4-28-22
Staff Initials: cms
Permit Number: LUA2022-0036

TYPE IV, V AND VI - COUNCIL DECISIONS
LAND USE DEVELOPMENT APPLICATION

CHECK ONE

TYPE IV – Quasi-judicial
- ☐ **Essential Public Facility**
- ☐ **Planned Neighborhood Development**
- ☐ **Rezone – Site Specific Zoning Map Amendment**
- ☐ **Secure Community Transition Facility**
- ☐ **Type IV Other:** ____________________

TYPE V – Quasi-judicial
- ☐ **Plat Alterations**
- ☐ **Plat Vacations**
- ☐ **Right-of-Way Vacations**
- ☐ **Type V Other:** ____________________

TYPE VI – Legislative
- ☐ **Comprehensive Plan Amendment, Map and Text**
- ☒ **Development Agreements**
- ☐ **Land Use Code Amendments**
- ☐ **Rezones – Area Wide Zoning Map Amendments**
- ☐ **Type VI Other:** ____________________

ARE ANY LOWER LEVEL PERMITS REQUIRED? Yes ☒ **No** ☐ **Describe:** TENANTS WILL REQUIRE TENANT IMPROVEMENT PERMITS

Property Information

Site Address: 1800 Main Street, Lake Stevens, WA 98258
Assessor Parcel No: 00553800003100
Area of property
Square Feet: 18,787
Acres: 0.34
Land Use Designation: 910 Undeveloped (Vacant) Land
Zoning: Commercial
Number of Buildings on Site/: 0
Number to be Retained:
Existing Impervious Surface Area: 14,350 SF
Proposed Impervious Surface Area: 16,281/ 9,991 EFFECTIVE

Applicant

Name/Company: Lakeview Flats, LLC c/o Brian Lewandowski
Address: 5418 123rd Ave NE
City/State/Zip: Lake Stevens, WA 98258
Phone: (206) 778-5898
Applicants relationship to owner: Manager
Fax:
Email: brian@westrockcon.com

Primary Contact

Name/Company: Lakeview Flats, LLC c/o Brian Lewandowski
Address: 5418 123rd Ave NE
City/State/Zip: Lake Stevens, WA 98258
Phone: (206) 778-5898
Email: brian@westrockcon.com
Fax: (425) 740-3322

Property Owner

Name/Company: City of Lake Stevens c/o Gene Brazel, City Hall

Address: PO Box 257

City/State/Zip: Lake Stevens, WA 98258-0257

Phone:

Email:

Fax:

Project Description

Grading Quantities 18,787 SF

Cut: 600 CY

Fill: 450 CY

Proposed project/land use (attach additional sheets if necessary):

See attached documents including proposed Development Agreement (includes related Parcel No. 00553800003800)

Building Information

Gross Floor Area of Existing and Proposed Buildings: 17,128 SF (PROPOSED)

Bldg 1: 100%	Bldg: 2	Bldg 3:	Bldg 4:	Bldg 5:

Gross Floor Area by Use of Buildings (please describe use as well as floor area):

Use 1: RESTAURANT/FOOD SERVICE 1ST FLOOR = 4,946 SF

Use 2: RESTAURANT/FOOD SERVICE 2ND FLOOR = 2,106 SF

Use3: RESIDENTIAL (CONDO): 2ND FLOOR = 2,458 SF

Use4: RESIDENTIAL (CONDO) 3RD FLOOR = 5,263 SF

You may not begin any activity based on this application until a decision, including the resolution of any appeal, has been made. Conditions or restrictions may be placed on your permit if it is approved. After the City has acted on your application, you will receive notice of the outcome. If an appeal is filed, you may not begin any work until the appeal is settled. You may also need approvals from other agencies; please check this before beginning any activity.

This application expires 180 days after the last date that additional information is requested (LSMC 14316A.245)

If you suspect that your site contains a stream or wetland or is adjacent to a lake, you may need a permit from the state or federal government.

I DECLARE UNDER PENALTY OF THE PERJURY LAWS THAT THE INFORMATION I HAVE PROVIDED ON THIS APPLICATION IS TRUE, CORRECT AND COMPLETE.

Signature of Property Owner/Agent

4-27-22

Date of Application

By affixing my signature I certify that I am the legal owner of the property for which this application is issued or an authorized agent of the owner.

Planning and Community Development
1812 Main Street, P O Box 257
Lake Stevens WA 98258
Phone Number (425) 377-3235

To be completed by staff

Date of Application: ______________________

Staff Initials: ______________________

Permit Number: ______________________

STATEMENT OF OWNERSHIP/APPLICANT AUTHORITY

I certify or declare under penalty of perjury under the laws of the state of Washington that:

1. This application is authorized by the all the land owners with authority to bind the land/property;
2. That the developer is operating under the landowner's authority;
3. That the developer and/or landowner is either an individual or a duly formed and qualified corporation, partnership, or other legal entity; and
4. That the person signing all applications or other legal documents is authorized by the legal entity and/or landowner to do so; and
5. That the application and submittals are true and correct to the best of my information.

Applicant

Signature: ______________________

Name: Brian Lewandowski

Address: 5418 123rd Ave NE
Lake Stevens, WA 98258

Phone: (206) 778-5898

Email address: brian@westrockcon.com

Property Owner(s)

Signature: ______________________

Name: Gene Brazel, City of Lake Stevens

Address: PO Box 257
Lake Stevens, WA 98258

Phone: ______________________

Email address: ______________________

Signature: ______________________

Name: ______________________

Address: ______________________

____

Phone: ______________________

Email address: ______________________

NOTE ON ENTERING PROPERTY

The City of Lake Stevens may enter onto the property, which is the subject of this application during the hours of 7:00 a.m. to 5:00 p.m., Monday – Friday, for the sole purpose of inspecting the limited area of the property, which is necessary to process this application. In the event the City determines that such an inspection is necessary during a different time or day, the City employees or agents will contact applicant verbally or in writing at least 24 hours before entering.

LEGAL DESCRIPTION

See attached - legal description may change pursuant to BLA.

ARCHITECTURE STUDIO OF EVERETT
615 35TH STREET - EVERETT WA 98201
206.931.0990 GARIN@ARCHSTUDIOEVERETT.COM

RECEIVED
By Planning Department at 4:19 pm, Apr 28, 2022

April 26, 2021

Russ Wright
City of Lake Stevens - Planning and Community Development
1812 Main Street
P.O. Box 257
Lake Stevens, WA 98258

Subject: 1800 Main Street – Acknowledgement of Development Agreement Decision Criteria

Dear Russ,

This letter is intended to accompany the Development Agreement application for the 1800 Main Mixed-Use project in Lake Stevens. It is our understanding that the criteria adopted by the city council, regarding the evaluation and adoption of the proposed Development Agreement, will follow the guidelines of LSMC 14.16C.055(d). We acknowledge and accept the methods of evaluation, the pending decision of the City Council, and that the City Council may adopt a development agreement upon passage of a resolution with finding that:

1. The proposed agreement is compatible with the goals and policies of the Comprehensive Plan;
2. The proposed agreement is consistent with applicable development regulations;
3. The proposed agreement provides for adequate mitigation of adverse environmental impacts; provided, that if the development is not sufficiently characterized at a project level, the agreement shall provide a process for evaluating and appropriately mitigating such impacts in the future; and
4. The proposed agreement reserves authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

Sincerely,

Garin Schenk

Garin Schenk
Architect #WA10942

RECEIVED
By Planning Department at 4:11 pm, Apr 28, 2022

PARKING STALL REQUIREMENTS PER LSMC 14.38.060:

USE/OCC.	AREA (FT²)	REQUIRE	TOTAL STALLS
MAIN LEVEL			
COFFEE/CAFÉ	1,319	10/1000	13.19
RESTAURANT #1	3,627	10/1000	36.27
SECOND LEVEL			
RESTAURANT #2	1,158	10/1000	11.58
COMM. KITCHEN	948	2/1000	1.90
CONDO #201	1,345	2.25	2.25
CONDO #202	1,113	2.25	2.25
THIRD LEVEL			
CONDO #301	1,345	2.25	2.25
CONDO #302	1,209	2.25	2.25
CONDO #303	1,063	2.25	2.25
CONDO #304	1,646	2.25	2.25
TOTAL STALLS REQUIRED:			**76**
ONSITE STALLS PROVIDED:			26
OFFSITE STALLS TO BE LEASED:			7
OFFSITE STREET STALLS (25%):			14
SHARED STALLS (25%):			19
TOTAL PROVIDED/AVAILABLE:			**66**
CURRENT STALL SURPLUS:			**-10**

REQUESTED MODIFICATIONS:

LSMC 14.38.060.C: REDUCTION OF OFF-STREET PARKING AREAS:
(1) PARKING IN ADJACENT LOT (7 STALLS)
(4) 25% REDUCTION THRU ON-STREET PARKING ALONG IMPROVED FRONTAGES
LSMC 14.72.070: JOINT-USE OF PARKING SPACES:
25% REDUCTION DUE TO DIFFERENT USES SHARING PARKING STALLS, TO BE USED AT DIFFERENT TIMES, PER THE ANALYSIS BELOW.

ALTERNATE PARKING ANALYSIS BASE ON SITE USES/TENANT NEED:

PARKING DEMAND BASED ON USE AND TIME OF DAY/WEEK:

	WK. MORNING	WK. AFTERNOON	WK. EVENING	WEEKEND
MAIN LEVEL				
COFFEE/CAFÉ	90%	50%	30%	50%
RESTAURANT #1	5%	50%	75%	90%
SECOND LEVEL				
RESTAURANT #2	5%	50%	75%	90%
COMM. KITCHEN	95%	50%	50%	50%
CONDO #201	50%	50%	100%	50%
CONDO #202	50%	50%	100%	50%
THIRD LEVEL				
CONDO #301	50%	50%	100%	50%
CONDO #302	50%	50%	100%	50%
CONDO #303	50%	50%	100%	50%
CONDO #304	50%	50%	100%	50%

ADJUSTED PARKING STALL REQUIREMENT BASED ON USE AND TIME OF WEEK/DAY:

	WK. MORNING	WK. AFTERNOON	WK. EVENING	WEEKEND
MAIN LEVEL				
COFFEE/DELI	11.871	6.595	3.957	6.595
RESTAURANT #1	1.8135	18.135	27.2025	32.643
SECOND LEVEL				
RESTAURANT #2	0.579	5.79	8.685	10.422
COMM. KITCHEN	9.006	4.74	4.74	4.74
CONDO #201	1.125	1.125	2.25	1.125
CONDO #202	1.125	1.125	2.25	1.125
THIRD LEVEL				
CONDO #301	1.125	1.125	2.25	1.125
CONDO #302	1.125	1.125	2.25	1.125
CONDO #303	1.125	1.125	2.25	1.125
CONDO #304	1.125	1.125	2.25	1.125
TOTAL	26.6445	38.635	51.3345	61.15

PARKING SUMMARY W/ REQUESTED MODIFICATIONS:

LSMC REQUIREMENTS FOR THE PROPOSED BUILDING IN THE CBD ZONE IS FOR 76 OFF-STREET STALLS. IF MODIFICATIONS ARE ACCEPTED, THE DEVELOPMENT OFFERS 66 STALLS (26 OFF-STREET, 7 LEASED ON ADJACENT LOT, 14 ON-STREET STALLS, AND 19 SHARED USE STALLS). PARKING DEMAND BASED ON USE AND TIME OF DAY/WEEK SHOWS THE THE GREATEST PARKING NEED BEING ON THE WEEKENDS, WITH A PROJECTED STALL NEED OF 61.15 STALLS.

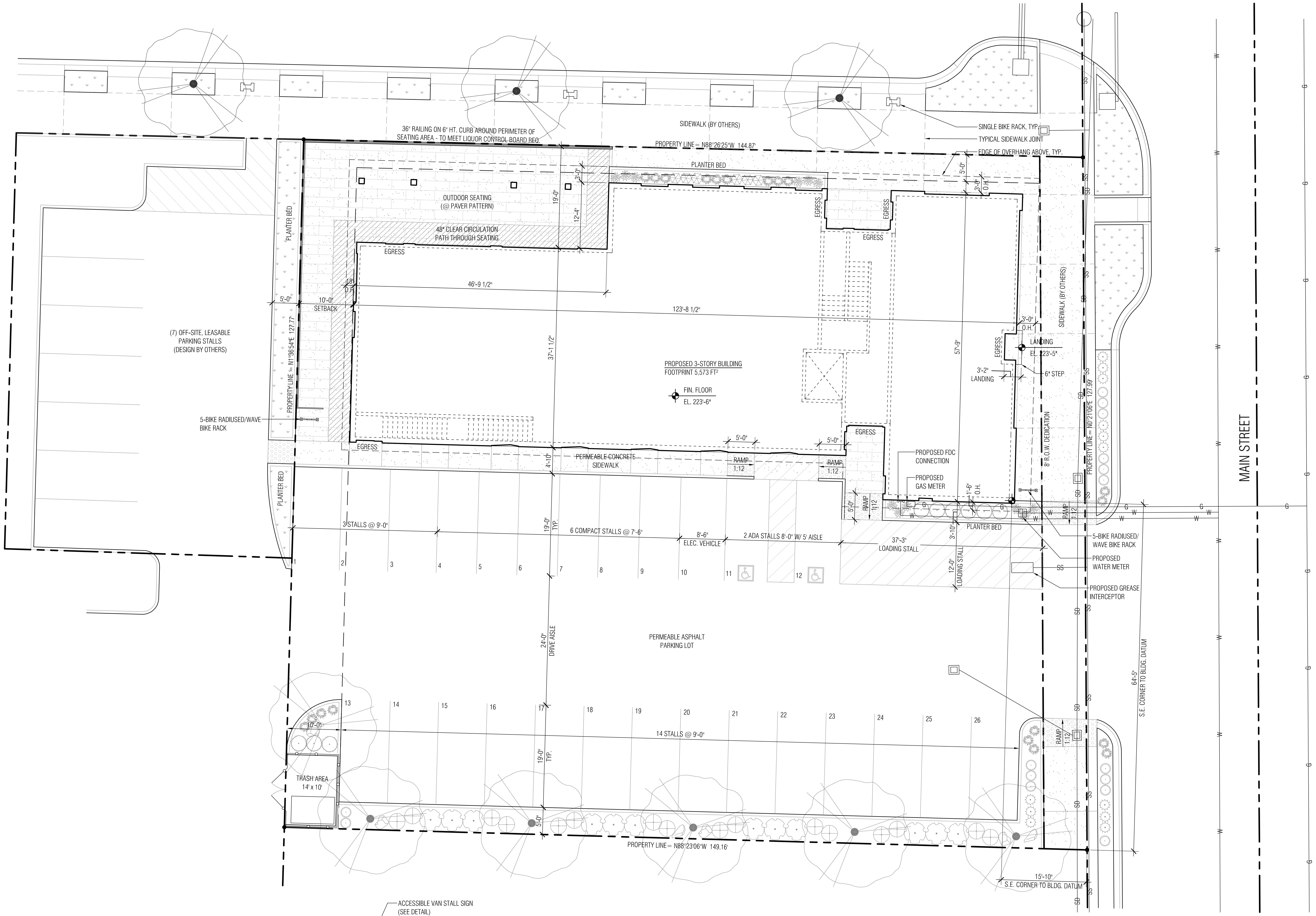
LOADING STALL REQUIREMENT 14.72.100:

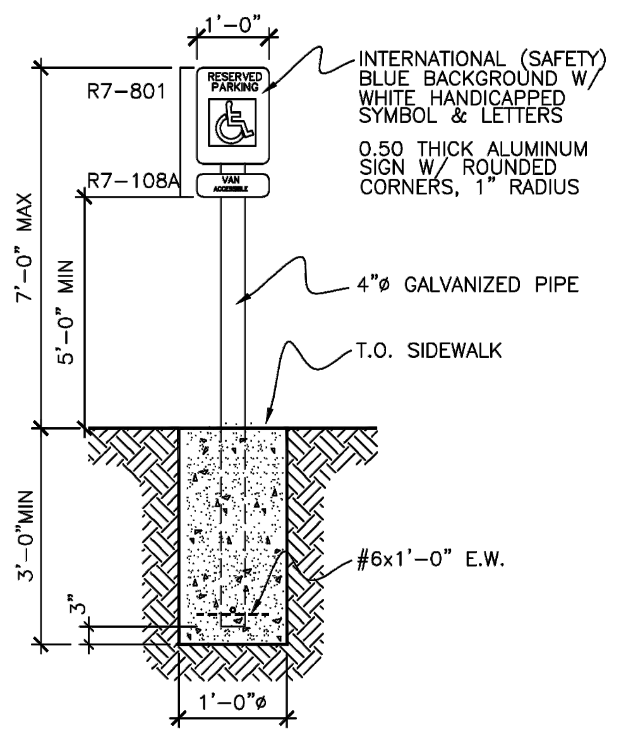
LOADING AREA MUST BE OF SUFFICIENT SIZE TO ACCOMMODATE TYPE OF VEHICLE USED. RESTAURANT USES REQUIRE NO LARGER THAN A STANDARD BOX TRUCK (26' MAX.) PROPOSED LOADING AREA OF 37'-3" PROPOSED TO ACCOMMODATE A VEHICLE OF THIS SIZE, WHICH IS SMALLER THAN THE 55' IN LENGTH REQUIRED.

BICYCLE PARKING FACILITIES 14.72.110:

(a) MULTIFAMILY USES TO HAVE 1 STALL PER DWELLING UNIT
(b) 1 BIKE STALL PER 10 PARKING STALLS AS CALCULATED FOR EACH USE

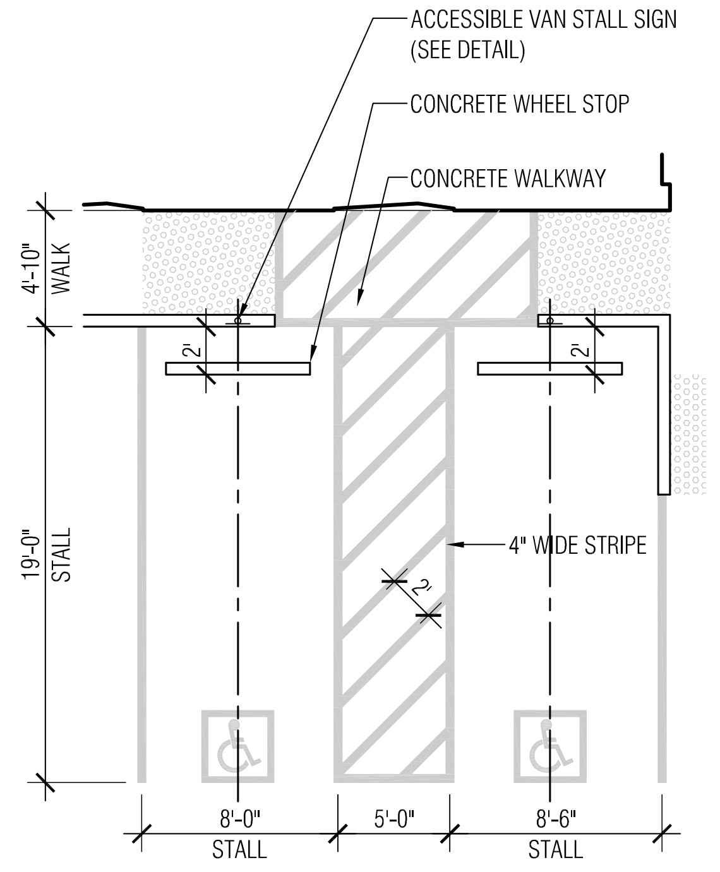
USE/OCC.	PARKING STALLS	BIKE REQUIRE	BIKE STALLS
MAIN LEVEL			
COFFEE/CAFÉ	13.19	1/10	1.32
RESTAURANT #1	36.27	1/10	3.63
SECOND LEVEL			
RESTAURANT #2	11.58	1/10	1.16
COMM. KITCHEN	1.9	1/10	0.19
CONDO #201	*	1	1.00
CONDO #202	*	1	1.00
THIRD LEVEL			
CONDO #301	*	1	1.00
CONDO #302	*	1	1.00
CONDO #303	*	1	1.00
CONDO #304	*	1	1.00
TOTAL STALLS REQUIRED:			**12**
ONSITE STALLS PROVIDED:			10
OFFSITE LOCATED IN FRONTAGE IMPROVEMENT AREA (MILL SPUR):			2
TOTAL PROVIDED/AVAILABLE:			**12**





ADA SIGN DETAIL

SCALE: NTS



ACCESSIBLE PARKING DETAIL

SCALE: 1/8" = 1'-0"

TENANT AREA BREAKDOWN:	
MAIN FLOOR LEVEL:	
• COFFEE/DELI:	1,319 FT²
• RESTAURANT KITCHEN:	1,340 FT²
• RESTAURANT INDOOR SEATING:	2,287 FT²
• RESTAURANT OUTDOOR SEATING:	1,106 FT²
SECOND FLOOR LEVEL:	
• RESTAURANT INDOOR SEATING:	1,158 FT²
• RESTAURANT OUTDOOR SEATING:	538 FT²
• COMMERCIAL KITCHEN:	948 FT²
• CONDO #201:	1,345 FT²
• CONDO #202:	1,113 FT²
THIRD FLOOR LEVEL:	
• CONDO #301:	1,345 FT²
• CONDO #302:	1,209 FT²
• CONDO #303:	1,063 FT²
• CONDO #304:	1,646 FT²

GROSS FLOOR AREA:	17,128 FT²
• MAIN FLOOR LEVEL:	5,573 FT²
• SECOND FLOOR LEVEL:	5,640 FT²
• THIRD FLOOR LEVEL:	5,915 FT²
FLOOR AREA RATIO:	91.2%
LOT COVERAGE:	29.7%
PROPOSED LANDSCAPED AREA:	925 FT²
AVERAGE GRADE ELEVATION:	222.52'
• POINT A (SOUTH):	222.12'
• POINT B (EAST):	222.75'
• POINT C (NORTH):	222.75'
• POINT D (WEST):	222.45'
MAX. BUILDING HEIGHT (45'):	267.52'

SITE PLAN

SCALE: 1" = 10'

0 10' 20' 30'

PARCEL #:	00553800003100
ZONED:	CENTRAL BUSINESS DISTRICT
SITE AREA:	18,787 FT²

PROJECT DESCRIPTION:
DEVELOP VACANT PARCEL WITH NEW 3-STORY MIXED USE BUILDING (CONSTRUCTION TYPE V-A) AND ASSOCIATED SITE WORK.

ARCHITECTURE STUDIO of EVERETT
615 35TH STREET - EVERETT WA 98201
206.931.0990 GARIN@ARCHSTUDIOEVERETT.COM

STAMP:

10942
REGISTERED ARCHITECT
Garin Schenk
GARIN A. SCHENK
STATE OF WASHINGTON
2022.04.20

CONSULTANTS:

PROJECT:

MILL SPUR MIXED-USE

1800 MAIN STREET
LAKE STEVENS, WA 98258

DRAWN:	GS
DATE:	2021.03.02
PROJECT #:	2021.06
SCALE:	PER DRAWING

PHASE:

DEVELOPMENT AGREEMENT
APRIL 20, 2022

REVISIONS:

NO.:	DATE:	DESCRIPTION:

TITLE:

SITE PLAN

SHEET:

A0.1

RECEIVED
By Planning Department at 3:34 pm, May 09, 2022

Planned Action Certificate and SEPA Issuance Copy with City Staff Comments by Christi Schmidt, Senior Planner 5-17-22.

CITY OF LAKE STEVENS

ENVIRONMENTAL (SEPA) CHECKLIST - *UPDATED* *2016*
FORM MUST BE COMPLETED IN INK, PREFERABLY BLUE
PENCIL WILL NOT BE ACCEPTED

PLEASE READ THE FOLLOWING CAREFULLY BEFORE FILLING OUT THE CHECKLIST

Purpose of checklist:

Governmental agencies use this checklist to help determine whether the environmental impacts of your proposal are significant. This information is also helpful to determine if available avoidance, minimization or compensatory mitigation measures will address the probable significant impacts or if an environmental impact statement will be prepared to further analyze the proposal.

Instructions for applicants: [help]

This environmental checklist asks you to describe some basic information about your proposal. Please answer each question accurately and carefully, to the best of your knowledge. You may need to consult with an agency specialist or private consultant for some questions. You may use “not applicable” or "does not apply" only when you can explain why it does not apply and not when the answer is unknown. You may also attach or incorporate by reference additional studies reports. Complete and accurate answers to these questions often avoid delays with the SEPA process as well as later in the decision-making process.

The checklist questions apply to all parts of your proposal, even if you plan to do them over a period of time or on different parcels of land. Attach any additional information that will help describe your proposal or its environmental effects. The agency to which you submit this checklist may ask you to explain your answers or provide additional information reasonably related to determining if there may be significant adverse impact.

Instructions for Lead Agencies:

Please adjust the format of this template as needed. Additional information may be necessary to evaluate the existing environment, all interrelated aspects of the proposal and an analysis of adverse impacts. The checklist is considered the first but not necessarily the only source of information needed to make an adequate threshold determination. Once a threshold determination is made, the lead agency is responsible for the completeness and accuracy of the checklist and other supporting documents.

Use of checklist for nonproject proposals: [help]

For nonproject proposals (such as ordinances, regulations, plans and programs), complete the applicable parts of sections A and B plus the SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS (part D). Please completely answer all questions that apply and note that the words "project," "applicant," and "property or site" should be read as "proposal," "proponent," and "affected geographic area," respectively. The lead agency may exclude (for non-projects) questions in Part B - Environmental Elements –that do not contribute meaningfully to the analysis of the proposal.

SEPA Issuance Copy with City Staff Comments by Christi Schmidt, Senior Planner 5-17-22.

LEFT COLUMN TO BE COMPLETED BY APPLICANT. | FOR STAFF USE ONLY

A. background [help]

1. Name of proposed project, if applicable:[help]

   Lakeview Flats

2. Name of applicant: [help]

   Lakeview Flats LLC

3. Address and phone number of applicant and contact person: [help]

   5418 123rd Ave NE, Lake Stevens, WA 98258
   Brian Lewandowski - 206.850.8542

4. Date checklist prepared: [help]

   April 20, 2022

5. Agency requesting checklist: [help]

   Lake Stevens Planning

6. Proposed timing or schedule (including phasing, if applicable): [help]

   Developement Agreement and Building Permit submission in March. Break ground in June w/ a 1-year timeline.

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain. [help]

   No.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal. [help]

   None.

See submitted studies under associated permit LUA2022-0069 and LUA2022-0070. Geotechnical Evaluation dated 5-10-21, Stormwater Report and Site Plan dated 8-11-21, Traffic Impact Analysis dated 4-22 and Design Review Package dated 5-6-22.

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain. [help]

   No.

The approval of the Development Agreement and Planned Action Certificate for this proposal/property.

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10. List any government approvals or permits that will be needed for your proposal, if known. [help]

None, apart from those required by Lake Stevens Building and Planning.

Development Agreement, Administrative Design Review, Constructions plans and associated building(s) and right of way use permit(s).

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.) [help]

Construct a new 3-story mixed-use building on an existing parcel currently used for paved parking. Gross floor area is 17,128 SF and will be divided between 2 restaurants, coffee shop, commercial kitchen, and 6 condos. 26 on-site, uncovered parking stalls will also be provided.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist. [help]

Parcel #00553800003100 is at the southwest corner of the 18th and Main Street intersection. The building will be located tight to northeast corner of the lot and parking will run the length of the parcel along the south property line.

B. ENVIRONMENTAL ELEMENTS [help]

1. Earth

a. General description of the site [help]
(circle one) [✓ Flat,] rolling, hilly, steep slopes, mountainous,

other ______________________________

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b. What is the steepest slope on the site (approximate percent slope)? [help] 1% (flat site).	
c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any agricultural land of long-term commercial significance and whether the proposal results in removing any of these soils. [help] Medium dense, silty-fine to medium grained sand with gravel to 2.5' below surface. Underlain by dense to very dense, silty-fine to medium grained sand.	See Geotechnical Evaluation prepared on 5-10-21.
d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe. [help] Unknown. Nothing stated in geotech report.	
e. Describe the purpose, type, total area, and approximate quantities and total affected area of any filling, excavation, and grading proposed. Indicate source of fill. [help] Clearing limits incorporate entire site (18,787 SF). Excavation related to building footprint of 5,573 SF. Cut/fill quantities are 600 CY/450 CY. Commercial fill per engineers spec.	
f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe. [help] Excavation on our flat site will have a low probability of erosion. Erosion control measures will be implemented during the course of construction.	
g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)? [help] 9,991 SF or 53.2%	

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any: [help]

Site disturbance/excavation during dry season, perimeter silt fence, and de-watering at excavation site as necessary.

A SWPPP has been submitted and proposed plans are required to be compliant with the City's adopted DOE 2014 Stormwater Manual as amended per the Development Agreement terms.

2. Air

a. What types of emissions to the air would result from the proposal during construction, operation, and maintenance when the project is completed? If any, generally describe and give approximate quantities if known. [help]

Machinery emissions/exhaust during the course of construction and immediate off-gassing of new construction materials. Post construction, (2) restaurant kitchen exhaust.

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe. [help]

No.

c. Proposed measures to reduce or control emissions or other impacts to air, if any: [help]

Restaurant kitchen exhaust filtered as required by code.

No-idling of construction equipment.

3. **Water**

a. Surface Water: [help]

1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into. [help]

Lake Stevens shoreline 440' west of west property line.

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2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans. [help] No.	
3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material. [help] None.	
4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known. [help] No.	
5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan. [help] No.	
6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge. [help] No.	

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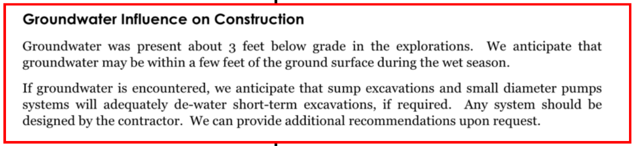
FOR STAFF USE

b. Ground Water:

1) Will groundwater be withdrawn from a well for drinking water or other purposes? If so, give a general description of the well, proposed uses and approximate quantities withdrawn from the well. Will water be discharged to groundwater? Give general description, purpose, and approximate quantities if known. [help]

No.

As documented in the Stormwater Report and Site Plan(see excerpt below) if groundwater is encountered during construction, proper de-watering techniques will be provided per the City's stormwater regulations.



Groundwater Influence on Construction

Groundwater was present about 3 feet below grade in the explorations. We anticipate that groundwater may be within a few feet of the ground surface during the wet season.

If groundwater is encountered, we anticipate that sump excavations and small diameter pumps systems will adequately de-water short-term excavations, if required. Any system should be designed by the contractor. We can provide additional recommendations upon request.

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals. . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve. [help]

None.

c. Water runoff (including stormwater):

1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe. [help]

Stormwater from the building will be collected and diverted to the storm drain system. Parking lot stormwater will infiltrate through permeable asphalt paving.

Proposed treatment of storwater will be consistent with Department of Ecology manual and Stormwater Report and Site Plan.

2) Could waste materials enter ground or surface waters? If so, generally describe. [help]

No.

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3) Does the proposal alter or otherwise affect drainage patterns in the vicinity of the site? If so, describe.

No.

d. Proposed measures to reduce or control surface, ground, and runoff water, and drainage pattern impacts, if any:

Parking and some walking surfaces to be permeable so runoff would be minimal, if at all.

Proposed measures to reduce and control surface, ground and runoff water and drainage patterns are consistent with city stormwater regulations. A SWPPP has been submitted for City review and approved with this project.

4. **Plants** [help]

a. Check the types of vegetation found on the site: [help]

- ☑ deciduous tree: alder, maple, aspen, other
- ☐ evergreen tree: fir, cedar, pine, other
- ☑ shrubs
- ☐ grass
- ☐ pasture
- ☐ crop or grain
- ☐ Orchards, vineyards or other permanent crops.
- ☐ wet soil plants: cattail, buttercup, skunk cabbage, other
- ☐ water plants: water lily, eelgrass, milfoil, other
- ☐ other types of vegetation

b. What kind and amount of vegetation will be removed or altered? [help]

Existing planter shrubs (10) and deciduous trees (5) to be removed in the course of site preparation, as host planting beds are removed. Existing plants are non-native.

c. List threatened and endangered species known to be on or near the site. [help]

Not aware of any.

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any: [help]

925 SF of new planting beds using only native trees, shrubs, and groundcover.

A landscaping plan has been submitted for city review and approval with this proposal as well as with the Design Review application LUA2022-0069.

e. List all noxious weeds and invasive species known to be on or near the site.

Not aware of any.

5. **Animals**

a. List any birds and other animals which have been observed, or are known to be on or near the site. Examples include: [help]

birds: hawk, heron, eagle, songbirds, other:
mammals: deer, bear, elk, beaver, other:
fish: bass, salmon, trout, herring, shellfish, other :

Hawk, Heron, Eagle, Duck, Songbirds,Trout

b. List any threatened and endangered species known to be on or near the site. [help]

Bald Eagle

c. Is the site part of a migration route? If so, explain. [help]

I do not know.

d. Proposed measures to preserve or enhance wildlife, if any: [help]

None.

A landscaping plan has been submitted for city review and approval with this proposal as well as with the Design Review application LUA2022-0069.

e. List any invasive animal species known to be on or near the site.

I am not aware of any.

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6. Energy and natural resources

a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc. [help]

Heating will be air-sourced heat pump.

b. Would your project affect the potential use of solar energy by adjacent properties?
If so, generally describe. [help]

No. The 3-story building is located tight to an intersection with no adjacent buildings.

c. What kinds of energy conservation features are included in the plans of this proposal?
List other proposed measures to reduce or control energy impacts, if any: [help]

Increased building insulation, higher u-value windows,
high-efficiency appliances/equipment, increased air-tightness.

7. Environmental health

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste that could occur as a result of this proposal? If so, describe. [help]

1) Describe any known or possible contamination at the site from present or past uses.

None.

2) Describe existing hazardous chemicals/conditions that might affect project development and design. This includes underground hazardous liquid and gas transmission pipelines located within the project area and in the vicinity.

None.

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3) Describe any toxic or hazardous chemicals that might be stored, used, or produced during the project's development or construction, or at any time during the operating life of the project. None.	
4) Describe special emergency services that might be required. None.	
5) Proposed measures to reduce or control environmental health hazards, if any: Not necessary.	
b. **Noise**	
1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)? [help] No area noise will affect the project.	
2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site. [help] General construction noise during posted/regulated construction hours.	
3) Proposed measures to reduce or control noise impacts, if any: [help] Limit noise-making activity to working hours.	Construction and residential/commercial activities are subject to the city's noise regulations.
8. **Land and shoreline use**	

a. What is the current use of the site and adjacent properties? Will the proposal affect current land uses on nearby or adjacent properties? If so, describe. [help]

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Site is currently a paved parking lot, with paved parking lots immediately adjacent. Building within the immediate vicinity are slated to be demo'd or moved (for Historic Preservation purposes)

In addition, the City owns property to the north and these properties are used for public uses/park. Properties to the north east are used as a commercial shopping center and the US Post Office.

b. Has the project site been used as working farmlands or working forest lands? If so, describe. How much agricultural or forest land of long-term commercial significance will be converted to other uses as a result of the proposal, if any? If resource lands have not been designated, how many acres in farmland or forest land tax status will be converted to nonfarm or nonforest use? [help]

No.

1) Will the proposal affect or be affected by surrounding working farm or forest land normal business operations, such as oversize equipment access, the application of pesticides, tilling, and harvesting? If so, how:

No.

c. Describe any structures on the site. [help]

None.

d. Will any structures be demolished? If so, what? [help]

No.

e. What is the current zoning classification of the site? [help]

Central Business District (CBD)

f. What is the current comprehensive plan designation of the site? [help]

Downtown/Local Commerce (D/LC)

g. If applicable, what is the current shoreline master program designation of the site? [help]

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None.

h. Has any part of the site been classified as a critical area by the city or county? If so, specify. [help]

No.

i. Approximately how many people would reside or work in the completed project? [help]

Reside: 15
Work: 24

The proposed building would have ground floor commercial with two stories of residential above with a total of 6 residential units.

j. Approximately how many people would the completed project displace? [help]

0

k. Proposed measures to avoid or reduce displacement impacts, if any: [help]

N/A

L. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any: [help]

Code evaluation and subject to an approved building permit.

The proposal is subject to Design Review and the Downtown Subarea guidelines.

m. Proposed measures to reduce or control impacts to agricultural and forest lands of long-term commercial significance, if any: [help]:

N/A

9. **Housing**

a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing. [help]

6 (middle/high)

b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing. [help]

0

c. Proposed measures to reduce or control housing impacts, if any: [help]

N/A

10. Aesthetics

a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed? [help]

44'-0 1/4" from sidewalk. Main building materials are brick, wood, and painted metal.

The proposal is subject to Design Review and the Downtown Subarea guidelines.

b. What views in the immediate vicinity would be altered or obstructed? [help]

The immediate area is flat and comprised of single story structures. No views will be impacted.

Construction of the proposed three story building will alter the views of adjacent properties/users but within allowed height requirements.

c. Proposed measures to reduce or control aesthetic impacts, if any: [help]

Project would have a net benefit related to aesthetic impact.

The proposal is subject to Design Review and the Downtown Subarea guidelines.

11. Light and glare

a. What type of light or glare will the proposal produce? What time of day would it mainly occur? [help]

Majority of the glazing is found on the north side of the building. Common window glare would mainly occur in the morning along the east side of the building.

b. Could light or glare from the finished project be a safety hazard or interfere with views? [help]

No.

c. What existing off-site sources of light or glare may affect your proposal? [help]

None.

d. Proposed measures to reduce or control light and glare impacts, if any: [help]

Exterior lighting shall be shielded and compliant with the city's lighting standards.

A continuous overhang wraps the st floor. Glazing along the west facade is protected by overhangs and decks.

12. **Recreation**

a. What designated and informal recreational opportunities are in the immediate vicinity? [help]

Lake Stevens water-related activity and North Cove Park and future Plaza.

b. Would the proposed project displace any existing recreational uses? If so, describe. [help]

No.

c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any: [help]

The goal of the project is to support the adjacent recreational opportunities through food/beverage service.

Mitigation fees are required by code for residential units.

13. **Historic and cultural preservation**

a. Are there any buildings, structures, or sites, located on or near the site that are over 45 years old listed in or eligible for listing in national, state, or local preservation registers located on or near the site? If so, specifically describe. [help]

No.

b. Are there any landmarks, features, or other evidence of Indian or historic use or occupation? This may include human burials or old cemeteries. Are there any material evidence, artifacts, or areas of cultural importance on or near the site? Please list any professional studies conducted at the site to identify such resources. [help]

No.

LEFT COLUMN TO BE COMPLETED BY APPLICANT. ONLY	FOR STAFF USE
c. Describe the methods used to assess the potential impacts to cultural and historic resources on or near the project site. Examples include consultation with tribes and the department of archeology and historic preservation, archaeological surveys, historic maps, GIS data, etc. [help] N/A. The project proposed is on a previously developed site.	
d. Proposed measures to avoid, minimize, or compensate for loss, changes to, and disturbance to resources. Please include plans for the above and any permits that may be required. Construction fencing to limit impacts on site, and native plantings to enhance remain portions of site outside of the fence. Again, the entire site has been previously developed.	
14. **Transportation**	
a. Identify public streets and highways serving the site or affected geographic area and describe proposed access to the existing street system. Show on site plans, if any. [help] Access to site from Main Street (east) which is the main arterial for the downtown core.	
b. Is the site or affected geographic area currently served by public transit? If so, generally describe. If not, what is the approximate distance to the nearest transit stop? [help] A Community Transit stop (#2579) is adjacent to our site along Main Street.	
c. How many additional parking spaces would the completed project or non-project proposal have? How many would the project or proposal eliminate? [help] Proposal would replace 24 stalls and add 2 new stalls for a total of 26 stalls.	The associated Development Agreement has parking terms specified to be approved by the City Council.
d. Will the proposal require any new or improvements to existing roads, streets, pedestrian, bicycle or state transportation facilities, not including driveways? If so, generally describe (indicate whether public or private). [help]	

Yes. Frontage along Main Street and pending Mill Spur Road will be improved to provide on-street parking and bicycle parking, in addition to new min. 8' wide sidewalks.

e. Will the project or proposal use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe. [help]

No.

f. How many vehicular trips per day would be generated by the completed project or proposal? If known, indicate when peak volumes would occur and what percentage of the volume would be trucks (such as commercial and nonpassenger vehicles). What data or transportation models were used to make these estimates? [help]

The proposed development is anticipated to generate approximately 471 average daily trips with 40 AM peak-hour trips (one hour between 7:00 and 9:00 AM) and 39 PM peak-hour trips (one hour between 4:00 and 6:00 PM). It is anticipated that more than 95% of the vehicles using the site will be passenger type vehicles with the remaining vehicles being trucks. The trip generation calculations are based on data published by the Institute of Transportation Engineers (ITE).

g. Will the proposal interfere with, affect or be affected by the movement of agricultural and forest products on roads or streets in the area? If so, generally describe.

No.

h. Proposed measures to reduce or control transportation impacts, if any: [help]

Payment of traffic impact fees, according to Zone 1, based on weekday PM peak trips.

Mitigation fees are required by code. The Traffic Impact Analysis identified trips generated would result in a total of $136,500 of mitigation fees.

15. **Public services**

a. Would the project result in an increased need for public services (for example: fire protection, police protection, public transit, health care, schools, other)? If so, generally describe. [help]

Possibly. Project will increase the relative density of the area, and attract more people to the area.

b. Proposed measures to reduce or control direct impacts on public services, if any. [help]

None.

16. **Utilities**

a. Circle utilities currently available at the site: [help]
[✓ electricity], natural gas, [✓ water], [✓ refuse service], [✓ telephone], [✓ sanitary sewer], septic system, other ______________________________

b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed. [help]

We are working with Public Works to coordinate efforts to bring required services to the site, in conjunction with their improvement efforts along Mill Spur and Main Street. Utility providers are Snohomish County PUD (water/elec), Lake Stevens Sewer, Waste Management.

C. Signature [HELP]

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature: Garin Schenk

Name of signee Garin Schenk, Architect

Position and Agency/Organization Architecture Studio of Everett, LLC

Date Submitted: 4.22.2022

CHECKLIST REVIEWED BY:

Project Manager, Department of Planning and Community Development

City of Lake Stevens
Planning Department
☐ Approved
☒ Approved with Corrections Noted
Signature: Date: 5-17-22
Title: Senior Planner, AICP

D. supplemental sheet for nonproject actions [help]

(**IT IS NOT NECESSARY** to use this sheet for project actions)

Because these questions are very general, it may be helpful to read them in conjunction with the list of the elements of the environment.

When answering these questions, be aware of the extent the proposal, or the types of activities likely to result from the proposal, would affect the item at a greater intensity or at a faster rate than if the proposal were not implemented. Respond briefly and in general terms.

1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?

   Project wouldn't have a greater or lesser impact/effect than the current site/use does.

   Proposed measures to avoid or reduce such increases are:

   Not applicable.

2. How would the proposal be likely to affect plants, animals, fish, or marine life?

   No negative or positive net effect.

Proposed measures to protect or conserve plants, animals, fish, or marine life are:

Given that the site and surrounding parcel are paved parking lots or street, the replacement of the parking lot with a building is seen to have no greater or lesser net effect.

3. How would the proposal be likely to deplete energy or natural resources?

Construction materials are sourced from natural resources and it takes energy to condition the interior environment, which would be true of any new development.

Proposed measures to protect or conserve energy and natural resources are:

Multifamily housing, as a strategy, is more efficient than stand-along single-family residences, in terms of land-use material use. The site will receive native plantings that contribute to the overall health of the immediate environment.

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

The development will not have a negative effect on sensitive areas.

Proposed measures to protect such resources or to avoid or reduce impacts are:

Not applicable.

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

LEFT COLUMN TO BE COMPLETED BY APPLICANT. ONLY	FOR STAFF USE

Not applicable.

Proposed measures to avoid or reduce shoreline and land use impacts are:

No increase to stormwater discharge through the use of permeable paved surfaces.

6. How would the proposal be likely to increase demands on transportation or public services and utilities?

The proposal would draw more people to the downtown core, as residents and patrons. With this comes a need for greater services and utility use.

Proposed measures to reduce or respond to such demand(s) are:

Not applicable. We see this as a good thing and would not want to deter it.

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.

Not applicable.

RECEIVED
By Planning Department at 4:14 pm, Apr 28, 2022

Planning and Community Development
1812 Main Street, P O Box 257
Lake Stevens WA 98258
Phone Number (425) 377-3235

To Be Completed By Staff
Date Received: 3-7-22, 4-28-22 and 5-9-22
Staff Initials: cms
Permit Number: LUA2022-0036, LUA2022-0069 and LUA2022-0070

Planned Action Determination – Review Checklist
Lake Stevens Center 20th Street SE Corridor Downtown

Part One: Project Information (applicant to complete)				
Property Information	Site Address: 1800 Main Street, Lake Stevens, WA 98258 (APN# 00553800003100)			
	Assessor Parcel No:	Area of property	Square Feet: 18787	Acres: .34
	Land Use Designation: D/LC	Zoning: CBD		
	Number of Buildings on Site/: 0	Number to be Retained: 0		
	Existing Impervious Surface Area: 14,350 SF	Proposed Impervious Surface Area: 9,991 SF		
Applicant/ Contact	Name/Company: Lakeview Flats, LLC c/o Brian Lewandowski			
	Address: 5418 123rd Ave NE	City/State/Zip: Lake Stevens, WA 98258		
	Phone: (206) 778-5898	Applicants relationship to owner: Manager		
	Fax: (425) 740-3322	Email: brian@westrockcon.com		
Property Owner	Name/Company: City of Lake Stevens c/o Gene Brazel, City Hall			
	Address: PO Box 257	City/State/Zip: Lake Stevens, WA 98258-0257		
	Phone:	Email: gbrazel@lakestevenswa.gov		
	Fax:			
Project Description	**Existing land use** (describe): PAVED PARKING			
	Proposed land use (check all that apply)			
	☑	**Retail & Services** – those uses including but not limited to department, drug & grocery stores; eating & drinking establishments; specialty goods/foods; entertainment & recreation; convenience stores; services; and commercial goods.	☐	**Office & Employment**– those uses including but not limited to business & professional offices such as medical or dental, educational & institutional offices, research & development, light manufacturing, high-tech, and associated uses.
	☐	**Civic & Cultural** – those uses including but not limited to libraries, museums, community center, stadium, performing arts facility, City Hall and other public facilities, which are not essential public facilities.	☐	**Lodging** – those uses including hotels, motels, and other similar facilities offering temporary accommodation.

☑	**Mixed-Use** – those uses that combine two or more land uses on a single site or within a single building.	☑	**Residential** – those uses including but not limited to single-family attached & detached units, multifamily units, residential care facilities, nursing homes and senior housing.
Other (describe):			

Development Information

Residential (dwelling units)		
Existing Dwellings	**Proposed Dwellings**	**Proposed Density (dwellings per acre)**
No. Single-family: 0	No. Single-family: 0	Single-family: 0
No. Multifamily: 0	No. Multifamily: 6	Multifamily: 17.6

Office / Employment (square feet)	
Existing Office/ Employment: 0	Proposed Office/ Employment: 0
Retail & Services (square feet)	
Existing Retail & Services: 0	Proposed Retail & Services: 7,052

PM Peak Hour Weekday Vehicle Trips		
Existing Estimated Trips: 0	Future Estimated Trips: 39	Net New Trips: 39

Source of Trip Rate		**Transportation Impacts Consistent with Chapter 14.112 LSMC**	
ITE Manual YES	Other	Yes ☑	No ☐

Signature (Applicant)	
Date	4-27-22

Part Two: Review Criteria (City to complete) The City's SEPA Responsible Official may designate conforming projects as "planned actions," pursuant to RCW 43.21C.030 , that meet the following conditions (Ordinance No. 877 - Lake Stevens Center and Ordinance No. 878 - 20th Street SE Corridor)		
Criteria (LSMC 14.38.120)	**Complies** (if not explain on separate sheet and attach)	
The proposal is located within a planned action area as identified on the official zoning map.	Yes ☑	No ☐
The proposal is consistent with the City of Lake Stevens Comprehensive Plan and the applicable subarea plan.	Yes ☑	No ☐
The proposed uses & activities are consistent with those described in the planned action EIS & zoning requirements of Section 14.38.020.	Yes ☑	No ☐
The proposal is consistent with the cumulative planned action thresholds identified in Section 14.38.120(c).	Yes ☑	No ☐

Dwelling Threshold:	6	Dwellings Remaining:	594

Office / Employment Threshold:	6,845	Office / Employment Remaining	43,155
Retail & Services Threshold:	7,052	Retail & Services Remaining:	162,948
Vehicle Trips Threshold:	53	Vehicle Trips Remaining:	1,687
The proposal's significant adverse environmental impacts have been identified in the planned action EIS.		Yes ☑	No ☐
The proposal's significant impacts have been mitigated by application of the measures identified in Section 14.38.120(d), and other applicable City regulations, together with any modifications, variances, or special permits that may be required.		Yes ☑	No ☐
The proposal complies with all applicable local, state &/or federal laws and regulations.		Yes ☑	No ☐
The proposal is not an essential public facility as defined by RCW 36.70A.200(1) and Section 14.16C.060, except as permitted by Chapter 43.21C RCW.		Yes ☑	No ☐

Part Three: Planned Action Determination (City to complete)

Requirement	**Complies** (if no, explain on separate sheet and attach)	
Applications for planned actions were made on forms provided by the City including a SEPA checklist	Yes ☑	No ☐
The application is complete as provided in LSMC 14.16A.220(f).	Yes ☑	No ☐
The application is consistent with the criteria of the Planned Action Ordinance.	Yes ☑	No ☐
The development application meets all applicable requirements of the Lake Stevens Municipal Code.	Yes ☑	No ☐

Qualifying Project (if no, explain on separate sheet and attach)

[✓ Yes]	**Qualifies as a Planned Action** – The application is consistent with the Planned Action Ordinance and thereby qualifies as a Planned Action project. All development activities shall proceed in accordance with the applicable permit review procedures specified in Lake Stevens Municipal Code Title 14, except that no SEPA threshold determination, EIS or additional SEPA review shall be required. Public notice of the determination shall be pursuant to Chapter 43.21C RCW.
No	**Does not Qualify as Planned Action** – The application is not consistent with the Planned Action Ordinance and does not qualify as a Planned Action project for the following reasons: **Additional SEPA Review Required –** Projects that fail to qualify as Planned Actions may incorporate or otherwise use relevant elements of the Planned Action EIS, as well as other relevant SEPA documents, to meet their SEPA requirements. The SEPA Responsible Official may limit the scope of SEPA review for the non-qualifying project to those issues and environmental impacts not previously addressed in the Planned Action EIS.

Signature (Director or Designee)	Senior Planner
Date (certification expires one year from date)	5/19/2022

Kimley»Horn
22722 29th Drive SE
Suite 100
Bothell, WA 98021
425.339.8266

Mill Spur Mixed-Use Traffic Impact Analysis

Jurisdiction: City of Lake Stevens

April 2022

BRADLY JAMES LINCOLN
42307
4/20/22

090222052

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LIST OF FIGURES

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ATTACHMENTS

1. DEVELOPMENT IDENTIFICATION

Kimley-Horn and Associates, Inc. has been retained to provide a trip generation, trip distribution, and intersection analysis for the proposed Mill Spur Mixed-Use development in the City of Lake Stevens. Brad Lincoln, responsible for this report and traffic analysis, is a licensed professional engineer (Civil) in the State of Washington and member of the Washington State section of ITE.

The Mill Spur Mixed-Use development is a mixed-use development that is proposed to consist of 6 multifamily residential units and a total of 7,052 square-feet (SF) of restaurant space within the building. The site is located at the southwest corner of Main Street and 18th Street NE. A site vicinity map has been included in Figure 1.

2. METHODOLOGY

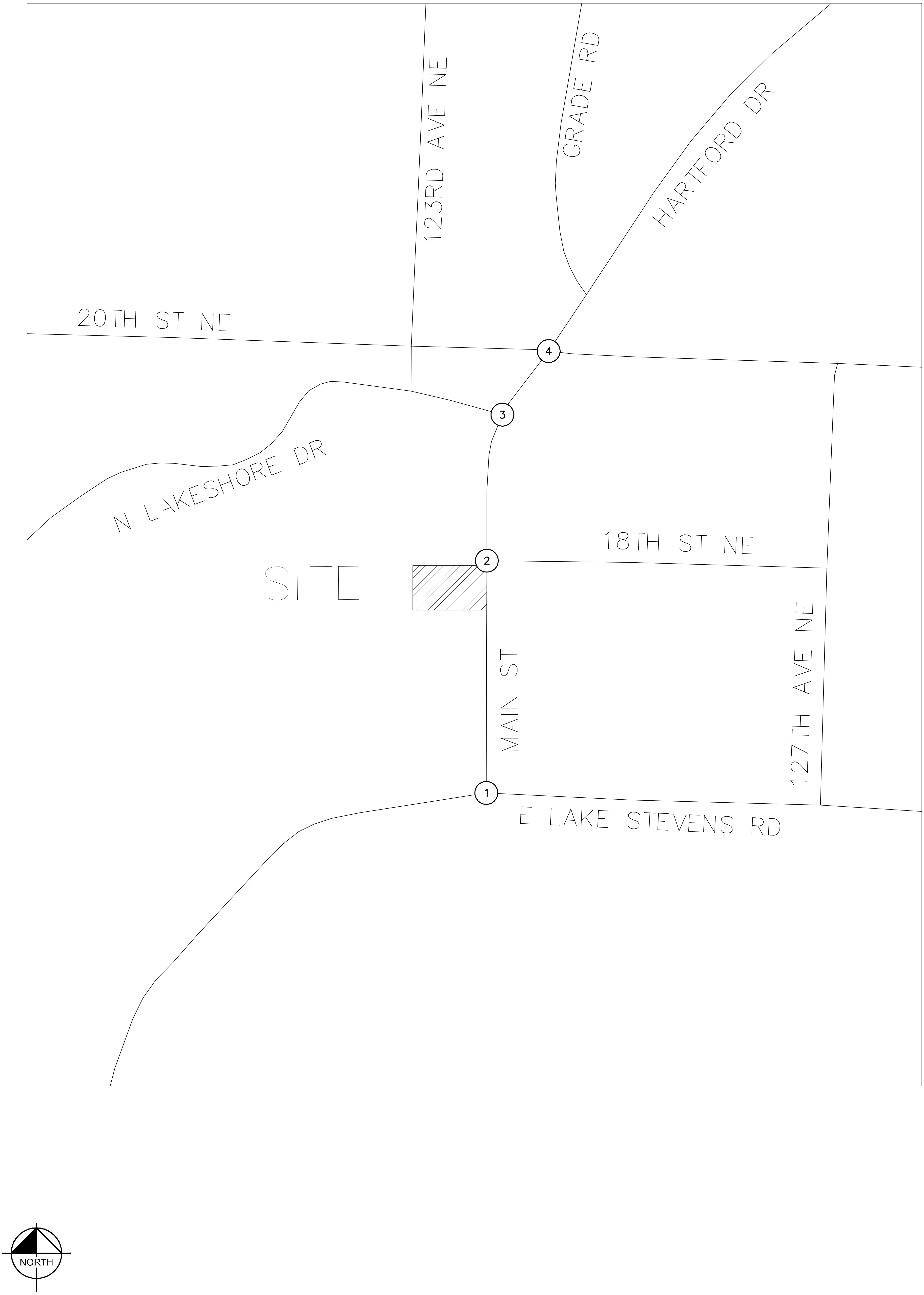
Trip generation calculations for the Mill Spur Mixed-Use Development have been performed according to data contained in the Institute of Transportation Engineers' (ITE) *Trip Generation Manual, 11th Edition (2021)*. The following intersections have been analyzed as part of this report:

1. E Lake Stevens Road at Main St – All-Way Stop-Control
2. 18th St NE at Main St – Two-Way Stop-Control
3. N Lakeshore Dr at Main St – Two-Way Stop-Control
4. 20th St NE at Main St – All-Way Stop-Control

Kimley-Horn has analyzed the study intersections for the 2022 existing, 2025 baseline, and 2025 future with development conditions for the PM peak-hour. The 2025 future year has been utilized to represent a conservative timeframe since the building is anticipated to be constructed in the year 2024. The development is proposed to have one access to Main Street.

The peak-hour level of service (LOS) analysis calculations were completed using the *Synchro 11.1, Build 0* software. This software applies the operational analysis methodology of the current *Highway Capacity Manual 6th Edition (HCM)*. Traffic congestion is generally measured in terms of level of service. In accordance with the HCM, road facilities and intersections are rated between LOS A and LOS F, with LOS A being free flow and LOS F being forced flow or over-capacity conditions. The level of service at two-way stop-controlled intersections is based on the approach with the highest average delay. The level of service at signalized and all-way stop-controlled intersections is based on the average delay for all approaches. Geometric characteristics and conflicting traffic movements are taken into consideration when determining level of service values.

The level of service standards for the City of Lake Stevens are identified in Lake Stevens Municipal Code (LSMC) 14.110.040. The standards are LOS C in residential areas and LOS E along arterials and collectors. The City of Lake Stevens also uses the volume-to-capacity (v/c) ratio to evaluate intersection operations. The level of service criteria is summarized in Table 1.



MILL SPUR MIXED-USE

SNOHOMISH COUNTY

LEGEND

▨	DEVELOPMENT SITE
(XX)	STUDY INTERSECTION

FIGURE 1
VICINITY MAP

Kimley»Horn

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Table 1: Level of Service Criteria for Intersections

Level of Service[1]	Expected Delay	Intersection Control Delay (Seconds per Vehicle)		Volume-to-Capacity Ratio (v/c)
		Unsignalized Intersections	Signalized Intersections	
A	Little/No Delay	≤10	≤10	---
B	Short Delays	>10 and ≤15	>10 and ≤20	---
C	Average Delays	>15 and ≤25	>20 and ≤35	>70% and ≤80%
D	Long Delays	>25 and ≤35	>35 and ≤55	>80% and ≤90%
E	Very Long Delays	>35 and ≤50	>55 and ≤80	>90% and ≤100%
F	Extreme Delays[2]	>50	>80	>100%

The study intersections have been evaluated for the typical HCM level of service and the volume-to-capacity (v/c) ratio identified in LSMC 14.110.040. The study intersections are all located along arterials or collectors. The standard for the study intersections should therefore be LOS E with a v/c ratio less than 100%.

3. TRIP GENERATION

The trip generation calculations for the Mill Spur Mixed-Use development are based on national statistics published by the Institute of Transportation Engineers (ITE) *Trip Generation Manual, 11th Edition (2021)*. The average trip generation rates for ITE Land Use Code (LUC) 220, Multifamily Low-Rise Housing, and ITE Land Use Code (LUC) 932, High-Turnover Sit-Down Restaurant, have been used for the proposed uses. Additionally, ITE publishes a pass-by rate of 43% for ITE LUC 932 to account for existing vehicles on the roadway that would travel to and from the site. It is important to note that the restaurant square-footage is based on the space within the building (kitchen space, dining space, etc.) and does not include outdoor dining space, according to the ITE methodology. The trip generation of the Mill Spur Mixed-Use development is summarized in Table 2.

---

[1] **Source:** *Highway Capacity Manual 6th Edition.*

LOS A: Free-flow traffic conditions, with minimal delay to stopped vehicles (no vehicle is delayed longer than one cycle at signalized intersection).
LOS B: Generally stable traffic flow conditions.
LOS C: Occasional back-ups may develop, but delay to vehicles is short term and still tolerable.
LOS D: During short periods of the peak hour, delays to approaching vehicles may be substantial but are tolerable during times of less demand (i.e. vehicles delayed one cycle or less at signal).
LOS E: Intersections operate at or near capacity, with long queues developing on all approaches and long delays.
LOS F: Jammed conditions on all approaches with excessively long delays and vehicles unable to move at times.

[2] When demand volume exceeds the capacity of the lane, extreme delays will be encountered with queuing which may cause severe congestion affecting other traffic movements in the intersection.

Table 2: Trip Generation Summary

Land Use	Size	Average Daily Trips	AM Peak-Hour Trips			PM Peak-Hour Trips		
			In	Out	Total	In	Out	Total
Multifamily Low-Rise Housing ITE LUC 220	6 Units	40	0	2	2	2	1	3
High-Turnover (Sit-Down) Restaurant ITE LUC 932	7,052 SF	756	37	30	67	39	25	64
Pass-By Reduction	---	-325	-16	-13	-29	-17	-11	-28
TOTAL		**471**	**21**	**19**	**40**	**24**	**15**	**39**

The Mill Spur Mixed-Use development is anticipated to generate 471 new average daily trips (ADT) with 40 new AM peak-hour trips and 39 new PM peak-hour trips. The trip generation calculations are included in the attachments.

It is important to note that the restaurant use may not be open, or only a portion of it may be open, during the AM peak-hour. This trip generation is therefore likely overly conservative for the AM peak-hour.

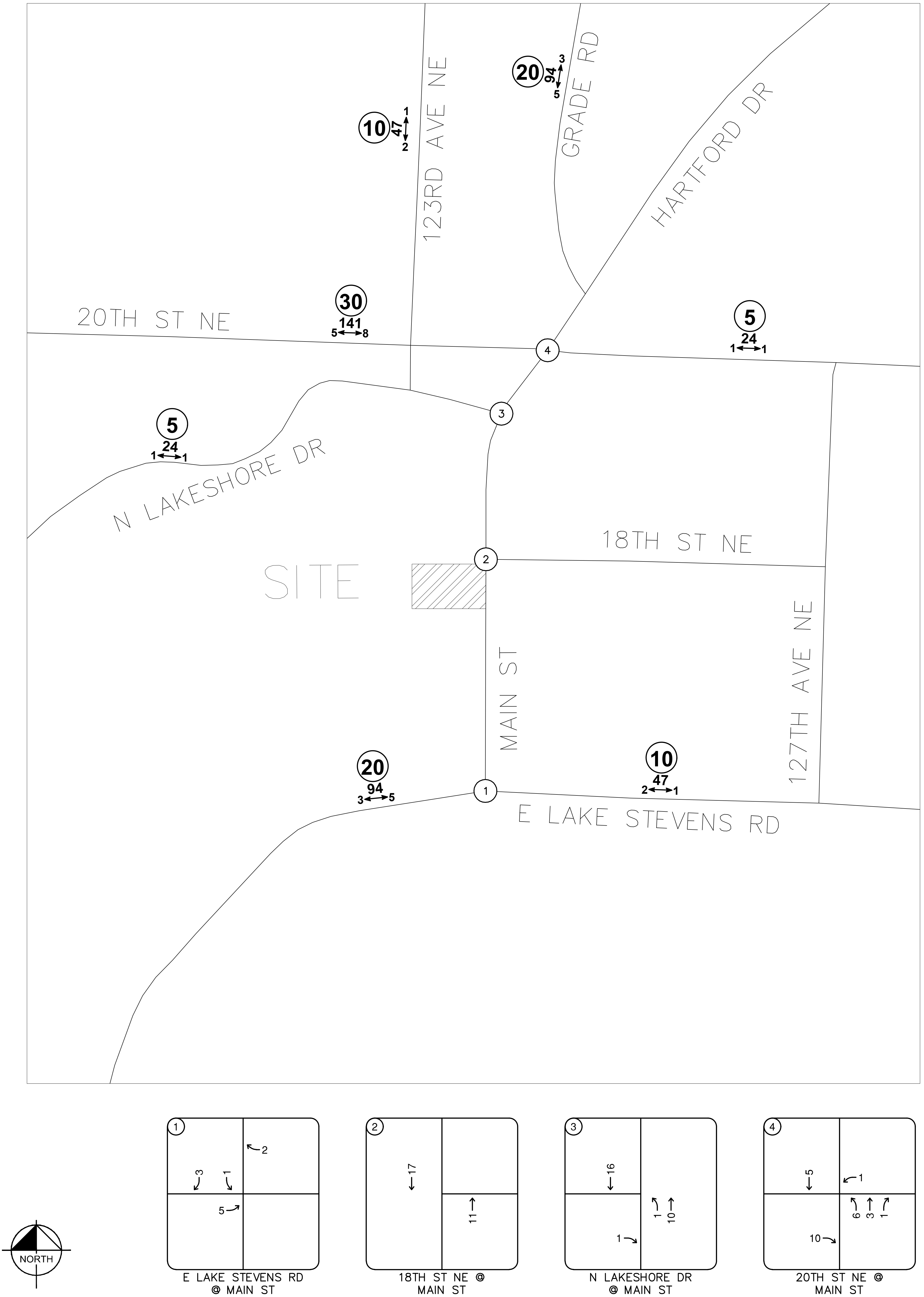
4. TRIP DISTRIBUTION

The distribution of trips generated by the Mill Spur Mixed-Use development is based on previously approved trip distributions in the site vicinity and surrounding land uses. It is anticipated that 55% of the trips generated by the development will travel to and from the west, thirty percent along 20th Street NE, five percent along N Lakeshore Drive, and twenty percent along E Lake Stevens Road. Approximately 30% of the trips generation by the site will travel to and from the north, ten percent along 123rd Avenue NE and twenty percent along Grade Road. The remaining 15% of the trips generated by the development are anticipated to travel to and from the west, five percent along 20th Street NE and ten percent along E Lake Stevens Road. Detailed trip distributions for the PM peak-hour are shown in Figure 2.

5. INTERSECTION ANALYSIS

The following intersections have been analyzed as part of this report:

1. E Lake Stevens Road at Main St – All-Way Stop-Control
2. 18th St NE at Main St – Two-Way Stop-Control
3. N Lakeshore Dr at Main St – Two-Way Stop-Control
4. 20th St NE at Main St – All-Way Stop-Control



E LAKE STEVENS RD @ MAIN ST

18TH ST NE @ MAIN ST

N LAKESHORE DR @ MAIN ST

20TH ST NE @ MAIN ST

MILL SPUR MIXED-USE

SNOHOMISH COUNTY

LEGEND

AWDT AM↔PEAK	NEW DAILY TRAFFIC NEW PEAK-HOUR TRIPS
(XX)	TRIP DISTRIBUTION
(xx)	STUDY INTERSECTION
XX →	PM PEAK-HOUR TURNING MOVEMENT VOLUMES

FIGURE 2

DEVELOPMENT
TRIP DISTRIBUTION
PM PEAK-HOUR

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These intersections have been analyzed for the 2022 existing conditions, 2025 baseline, and 2025 future with development conditions. The development is anticipated to be constructed before the year 2025 and therefore this analysis should represent a conservative analysis of the operations with build-out of the development. The intersections have been analyzed for the PM peak-hour since that is when the volumes at the study intersections are typically highest, despite the development generating one additional trip during the AM peak-hour.

5.1 Turning Movement Calculations

The 2022 existing peak-hour turning movement counts for the study intersections were collected by the independent counting firm Traffic Data Gathering in March 2022. The 2022 existing turning movements at the study intersections for the PM peak-hour are shown in Figure 3.

The 2025 baseline turning movements at the study intersections have been calculated using a 2.0% annually compounding growth rate. The 2025 baseline turning movements for the PM peak-hour are shown in Figure 4.

The 2025 future with development conditions were calculated by adding the trips generated by the Mill Spur Mixed-Use Development to the 2025 baseline turning movements. The 2025 future with development turning movements for the PM peak-hour are shown in Figure 5. The existing counts and turning movement calculations are included in the attachments.

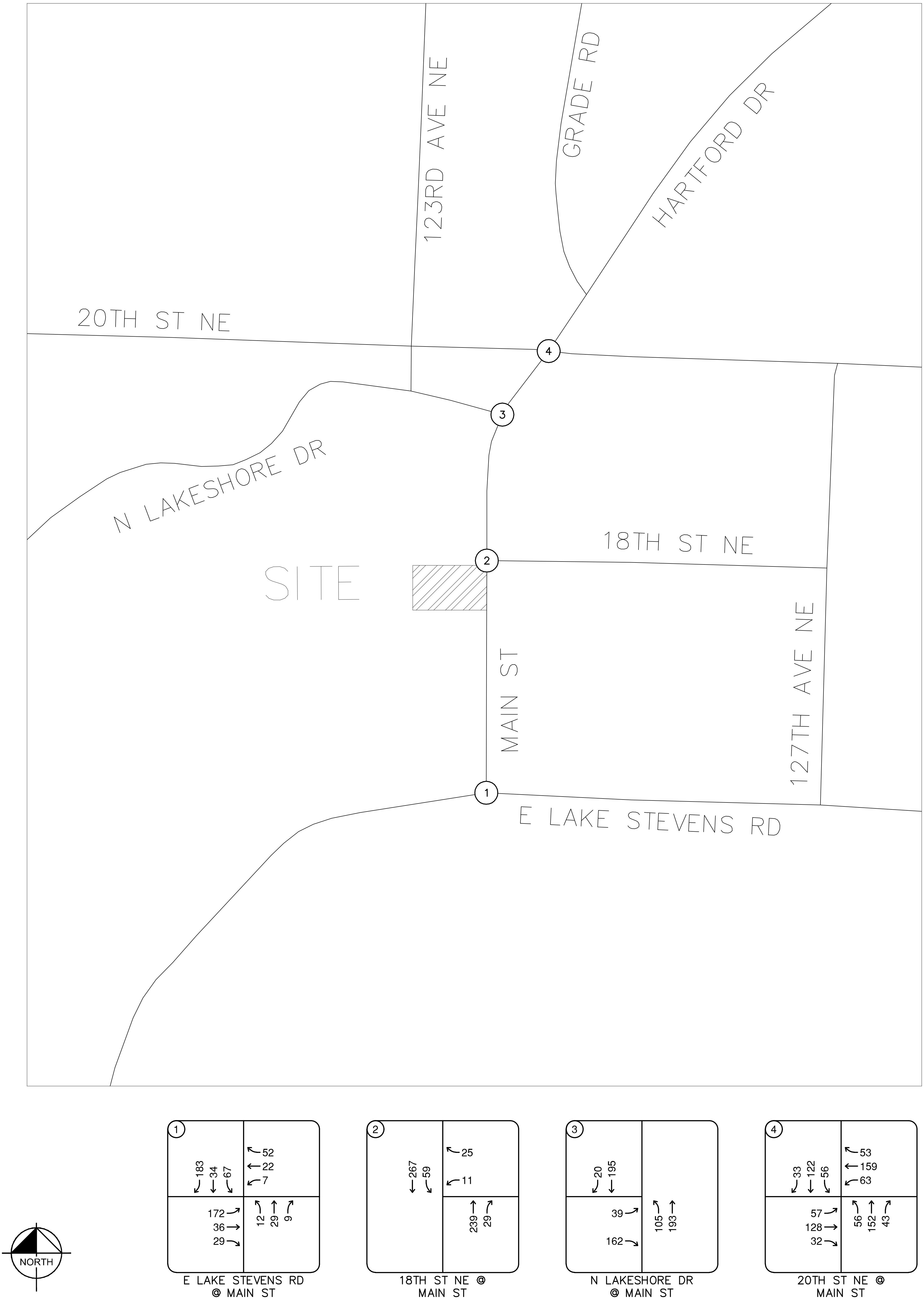
5.2 Level of Service Analysis

The study intersections have been analyzed using the existing intersection control, channelization, peak-hour factors, and heavy vehicle factors. The level of service results at the study intersections are summarized in Table 3.

Table 3: Level of Service Summary – PM Peak-Hour

Intersection	2022 Existing Conditions		2025 Baseline Conditions		2025 Future w/ Dev. Conditions	
	LOS	Delay	LOS	Delay	LOS	Delay
1. E Lake Stevens Road at Main Street	B	10.5 sec	B	11.0 sec	B	11.1 sec
2. 18th Street NE at Main Street	B	11.9 sec	B	11.6 sec	B	11.8 sec
3. N Lakeshore Drive at Main Street	B	12.9 sec	B	13.5 sec	B	13.9 sec
4. 20th Street NE at Main Street	B	13.0 sec	B	14.3 sec	B	14.9 sec

The level of service analysis shows that the study intersections are all anticipated to operate at acceptable levels of service under the 2022 exiting, 2025 baseline, and 2025 future with development conditions.



MILL SPUR MIXED-USE

SNOHOMISH COUNTY

LEGEND

(XX) STUDY INTERSECTION

XX → PM PEAK-HOUR TURNING MOVEMENT VOLUMES

FIGURE 3

2022 EXISTING
TURNING MOVEMENTS

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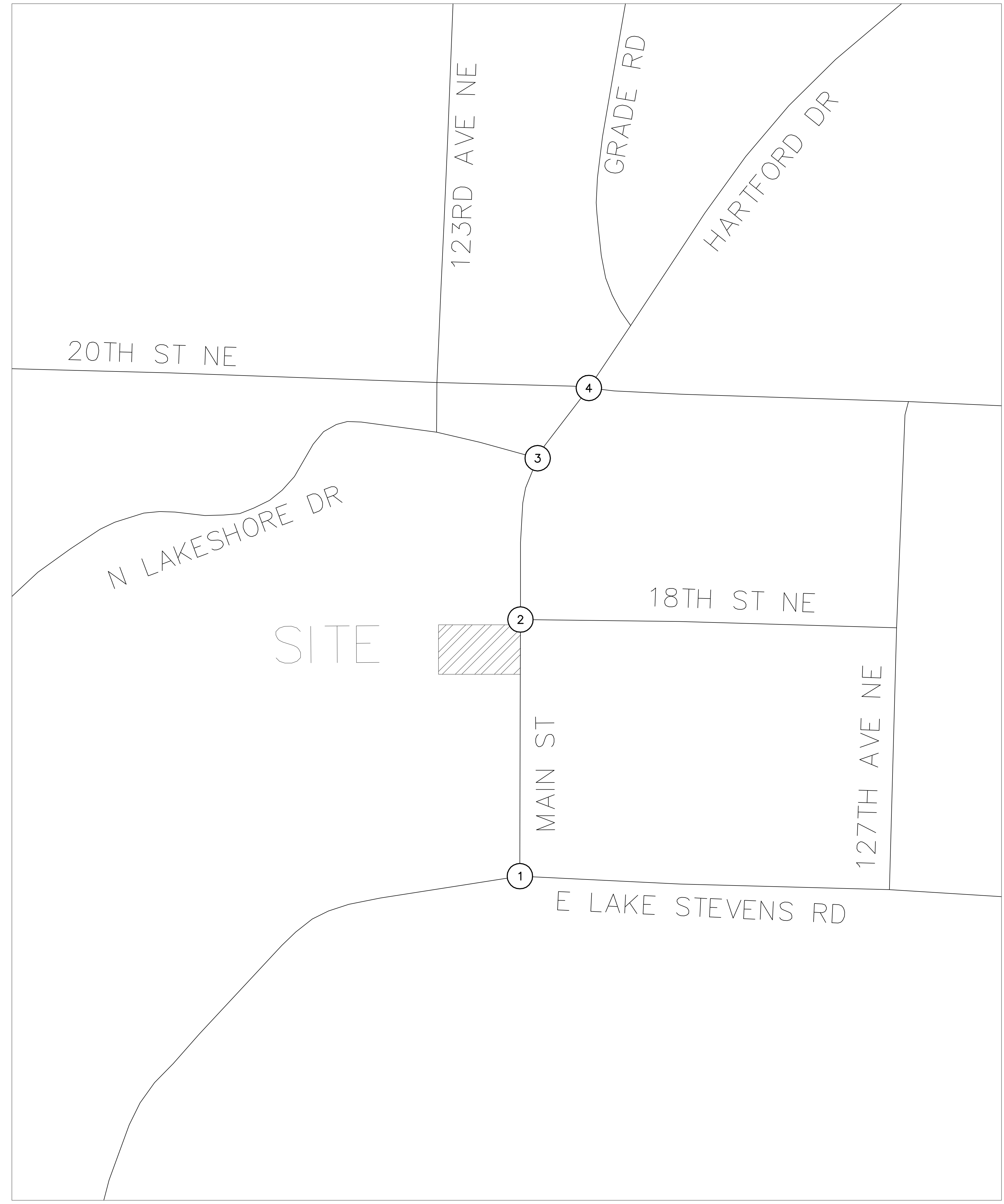
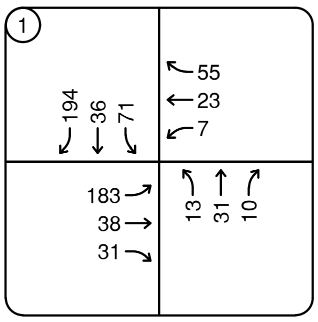
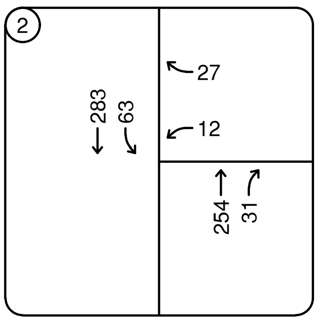
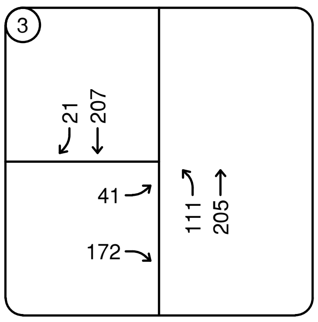




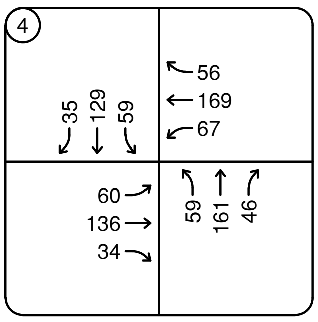
E LAKE STEVENS RD @ MAIN ST



18TH ST NE @ MAIN ST



N LAKESHORE DR @ MAIN ST



20TH ST NE @ MAIN ST

NORTH

MILL SPUR MIXED-USE

SNOHOMISH COUNTY

LEGEND

XX STUDY INTERSECTION

XX → PM PEAK-HOUR TURNING MOVEMENT VOLUMES

FIGURE 4

2025 BASELINE
TURNING MOVEMENTS

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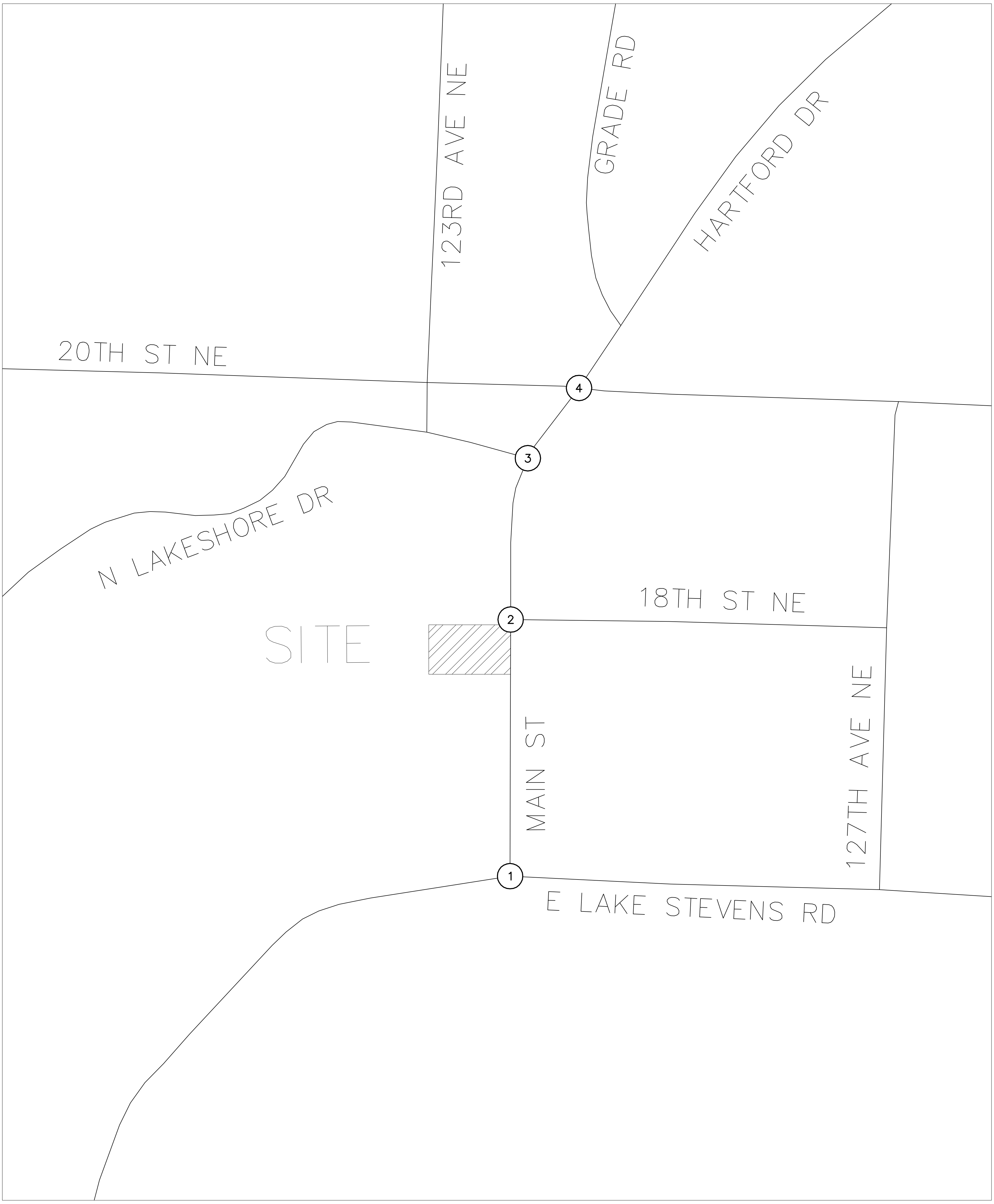
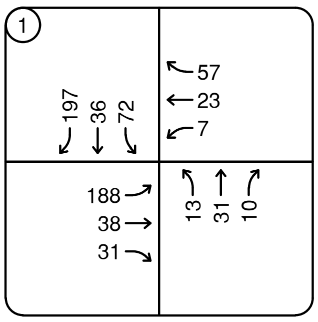
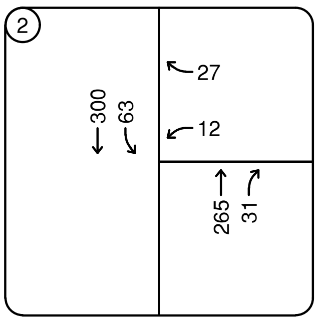
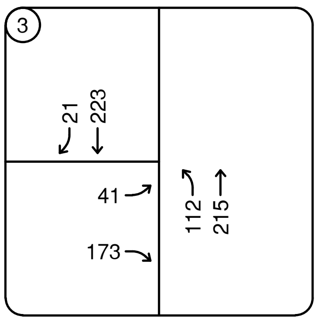




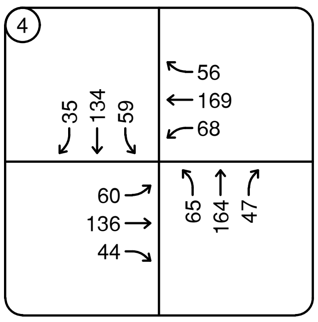
E LAKE STEVENS RD @ MAIN ST



18TH ST NE @ MAIN ST



N LAKESHORE DR @ MAIN ST



20TH ST NE @ MAIN ST

MILL SPUR MIXED-USE

SNOHOMISH COUNTY

LEGEND

(XX)	STUDY INTERSECTION
XX →	PM PEAK-HOUR TURNING MOVEMENT VOLUMES

FIGURE 5

2025 FUTURE WITH DEVELOPMENT TURNING MOVEMENTS

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5.3 V/C Ratio

The volume-to-capacity (v/c) ratios at the study intersections were evaluated according to LSMC 14.110.040. The analysis software does not output an overall intersection v/c ratio but does provide v/c ratios for each lane with stop-control. It is important to note that LSMC 14.11.040 does not evaluate the operations of an intersection on the v/c ratio of each lane, but the intersection as a whole. However, the study intersections all have lanes that operate with v/c ratios of less than 100%, which equates to LOS E or better.

The HCM and v/c ratios show that the study intersections are all anticipated to operate at acceptable levels identified in LSMC 14.110.040. The level of service calculations are included in the attachments.

6. TRAFFIC MITIGATION FEES

The Washington Growth Management Act and Revised Code of Washington 82.02.050(2) authorize local jurisdictions to establish proportionate share traffic mitigation fees in order to fund capital facilities, such as roads and intersections. The Mill Spur Mixed-Use Development is anticipated to generate 39 new PM peak-hour trips on streets within the City of Lake Stevens. The City of Lake Stevens has a base mitigation fee of $3,500 per PM peak-hour trip for developments located in the TIZ 3. The Mill Spur Mixed-Use development is anticipated to generate 39 new PM peak-hour trips, resulting in City of Lake Stevens mitigation fee of $136,500.00. The fees for each of the uses are:

- Multifamily Housing (Low-Rise), 6 units and 3 PM peak-hour trips - $10,500.00
- High-Turnover (Sit-Down) Restaurant, 7,052 SF and 36 PM peak-hour trips - $126,000.00

The *City of Lake Stevens – Traffic Impact Fee Determination Worksheet* is included in the attachments.

Additional off-site improvements should not be a condition of the Mill Spur Mixed-Use development. The intersection level of service analysis shows that the study intersection are all anticipated to operate at acceptable levels of service.

7. CONCLUSIONS

The Mill Spur Mixed-Use development is proposed to consist of 6 total multifamily residential units. The Mill Spur Mixed-Use development is anticipated to generate 471 new average daily trips with 39 new PM peak-hour trips. The analysis shows the study intersections will operate at acceptable levels of service. Intersection improvements at off-site intersections should therefore not be a condition of the development. Traffic mitigation fees for the development should total $136,500.00 to the City of Lake Stevens.

Trip Generation Calculations

A

Trip Generation for: **Development Peak Weekday**
(a.k.a.): **Average Weekday Daily Trips (AWDT)**

									NET EXTERNAL TRIPS BY TYPE											
									IN BOTH DIRECTIONS						DIRECTIONAL ASSIGNMENTS					
			Gross Trips				Internal Crossover		TOTAL	PASS-BY		DIVERTED LINK		NEW	PASS-BY		DIVERTED LINK		NEW	
LAND USES	VARIABLE	ITE LU code	Trip Rate	% IN	% OUT	In+Out (Total)	% of Gross Trips	Trips In+Out (Total)	In+Out (Total)	% of Ext. Trips	In+Out (Total)	% of Ext. Trips	In+Out (Total)	In+Out (Total)	In	Out	In	Out	In	Out
Multifamily Housing (Low-Rise)	6 Units	220	6.74	50%	50%	40	0.0%	0	40	0%	0	0%	0	40	0	0	0	0	20	20
High-Turnover (Sit-Down) Res.	7.052 KSF	932	107.20	50%	50%	756	0.0%	0	756	43%	325	0%	0	431	163	162	0	0	216	215
Total						796		0	796		325		0	471	163	162	0	0	236	235

Trip Generation for: **Development Peak Weekday, Peak Hour of Adjacent Street Traffic, One Hour between 7 and 9 AM**
(a.k.a.): **Weekday AM Peak Hour**

									NET EXTERNAL TRIPS BY TYPE											
									IN BOTH DIRECTIONS						DIRECTIONAL ASSIGNMENTS					
			Gross Trips				Internal Crossover		TOTAL	PASS-BY		DIVERTED LINK		NEW	PASS-BY		DIVERTED LINK		NEW	
LAND USES	VARIABLE	ITE LU code	Trip Rate	% IN	% OUT	In+Out (Total)	% of Gross Trips	Trips In+Out (Total)	In+Out (Total)	% of Ext. Trips	In+Out (Total)	% of Ext. Trips	In+Out (Total)	In+Out (Total)	In	Out	In	Out	In	Out
Multifamily Housing (Low-Rise)	6 Units	220	0.40	24%	76%	2	0.0%	0	2	0%	0	0%	0	2	0	0	0	0	0	2
High-Turnover (Sit-Down) Res.	7.052 KSF	932	9.57	55%	45%	67	0.0%	0	67	43%	29	0%	0	38	16	13	0	0	21	17
Total						69		0	69		29		0	40	16	13	0	0	21	19

Trip Generation for: Development Peak Weekday, Peak Hour of Adjacent Street Traffic, One Hour between 4 and 6 PM
(a.k.a.): Weekday PM Peak Hour

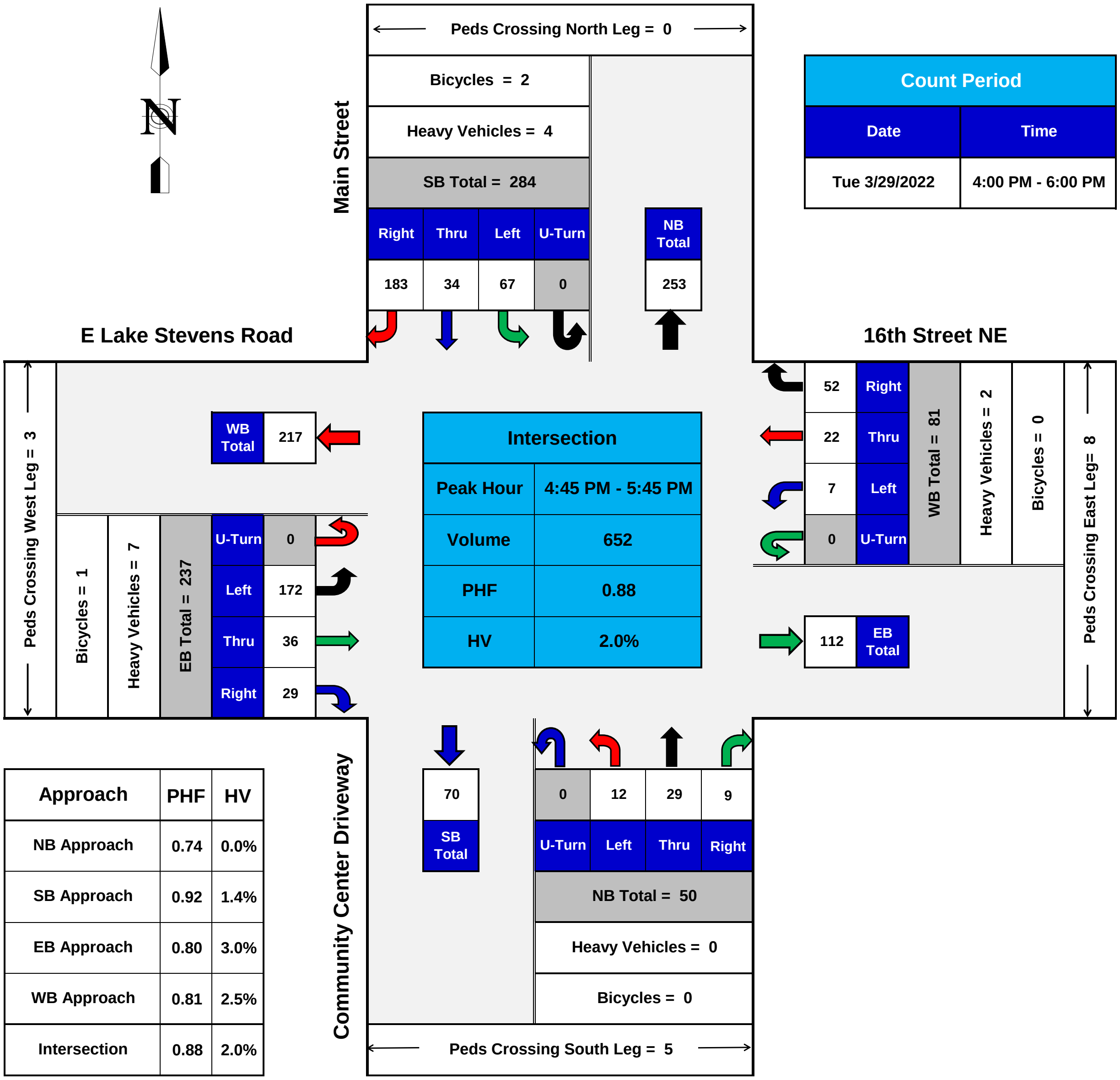
									NET EXTERNAL TRIPS BY TYPE											
									IN BOTH DIRECTIONS						DIRECTIONAL ASSIGNMENTS					
			Gross Trips				Internal Crossover		TOTAL	PASS-BY		DIVERTED LINK		NEW	PASS-BY		DIVERTED LINK		NEW	
LAND USES	VARIABLE	ITE LU code	Trip Rate	% IN	% OUT	In+Out (Total)	% of Gross Trips	Trips In+Out (Total)	In+Out (Total)	% of Ext. Trips	In+Out (Total)	% of Ext. Trips	In+Out (Total)	In+Out (Total)	In	Out	In	Out	In	Out
Multifamily Housing (Low-Rise)	6 Units	220	0.51	63%	37%	3	0.0%	0	3	0%	0	0%	0	3	0	0	0	0	2	1
High-Turnover (Sit-Down) Res.	7.052 KSF	932	9.05	61%	39%	64	0.0%	0	64	43%	28	0%	0	36	17	11	0	0	22	14
Total						67		0	67		28		0	39	17	11	0	0	24	15

Counts and Turning Movement Calculations

B

E Lake Stevens Road @ Main Street

Lake Stevens, WA



Count Period	
Date	Time
Tue 3/29/2022	4:00 PM - 6:00 PM

Intersection	
Peak Hour	4:45 PM - 5:45 PM
Volume	652
PHF	0.88
HV	2.0%

Approach	PHF	HV
NB Approach	0.74	0.0%
SB Approach	0.92	1.4%
EB Approach	0.80	3.0%
WB Approach	0.81	2.5%
Intersection	0.88	2.0%

PHF = Peak Hour Factor
HV = Heavy Vehicles

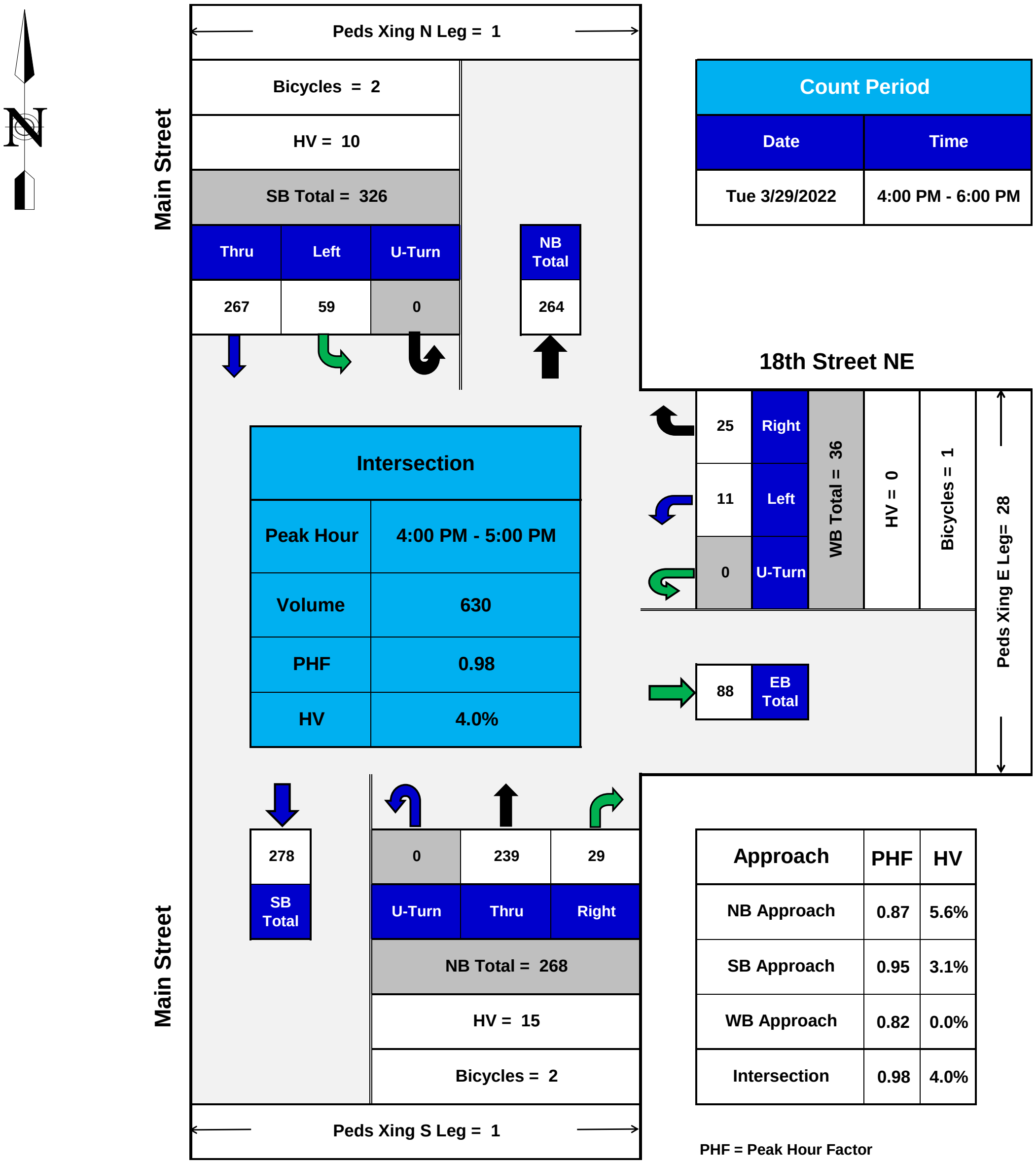
TURNING MOVEMENTS DIAGRAM

PEAK HOUR SUMMARY

DTG *TRAFFIC DATA GATHERING*

18th Street NE @ Main Street

Lake Stevens, WA



Count Period	
Date	Time
Tue 3/29/2022	4:00 PM - 6:00 PM

Intersection	
Peak Hour	4:00 PM - 5:00 PM
Volume	630
PHF	0.98
HV	4.0%

Approach	PHF	HV
NB Approach	0.87	5.6%
SB Approach	0.95	3.1%
WB Approach	0.82	0.0%
Intersection	0.98	4.0%

PHF = Peak Hour Factor
HV = Heavy Vehicles

TURNING MOVEMENTS DIAGRAM

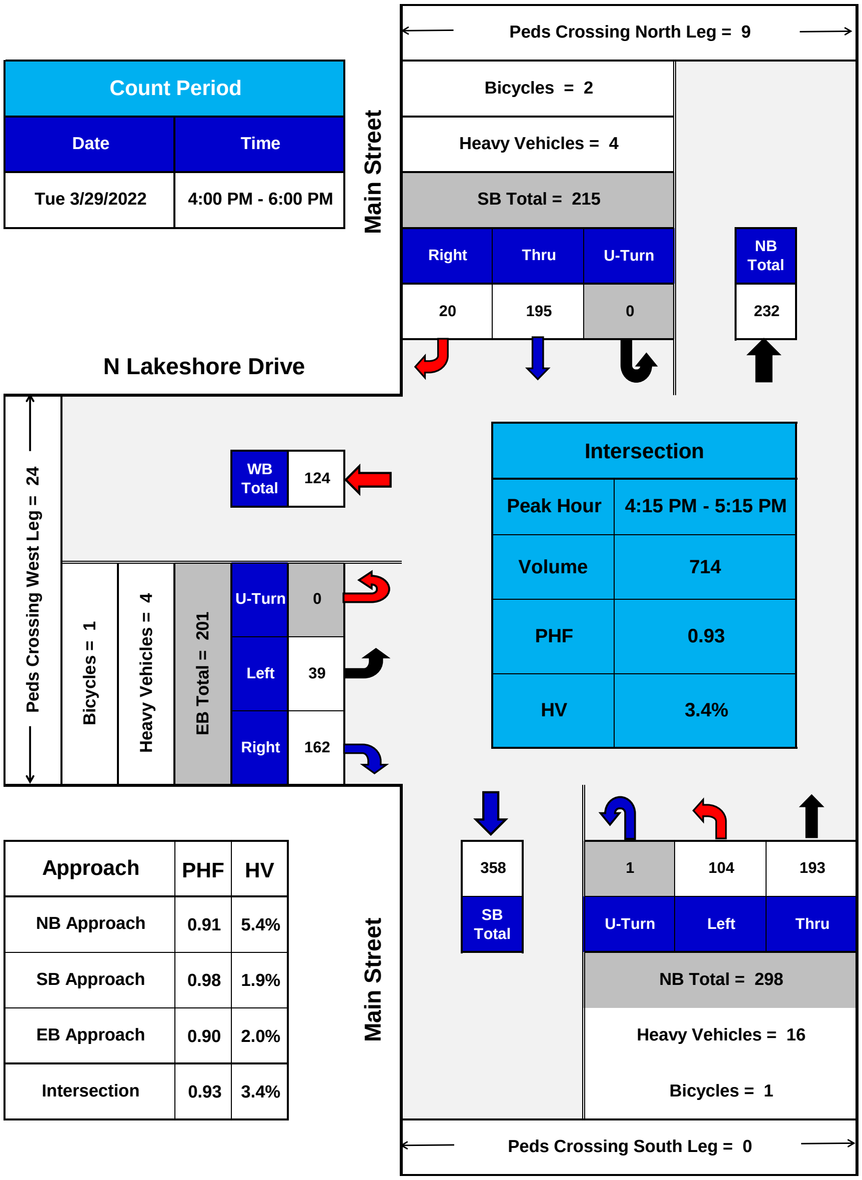
PEAK HOUR SUMMARY

TRAFFIC DATA GATHERING

N Lakeshore Drive @ Main Street

Lake Stevens, WA

Count Period	
Date	Time
Tue 3/29/2022	4:00 PM - 6:00 PM



Intersection	
Peak Hour	4:15 PM - 5:15 PM
Volume	714
PHF	0.93
HV	3.4%

Approach	PHF	HV
NB Approach	0.91	5.4%
SB Approach	0.98	1.9%
EB Approach	0.90	2.0%
Intersection	0.93	3.4%

PHF = Peak Hour Factor
HV = Heavy Vehicles

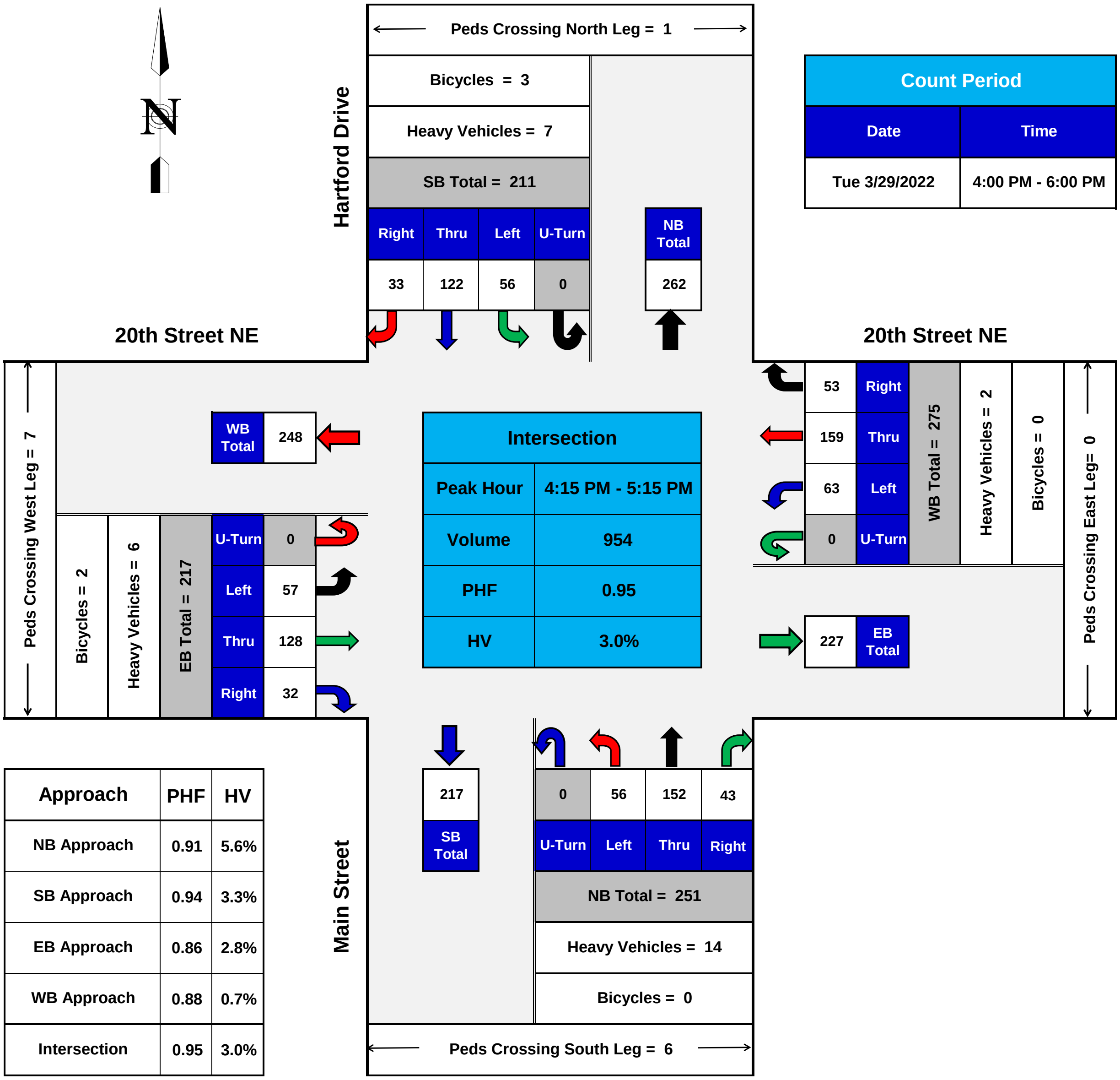
TURNING MOVEMENTS DIAGRAM

PEAK HOUR SUMMARY

TDG *TRAFFIC DATA GATHERING*

20th Street NE @ Main Street

Lake Stevens, WA



Count Period	
Date	Time
Tue 3/29/2022	4:00 PM - 6:00 PM

Intersection	
Peak Hour	4:15 PM - 5:15 PM
Volume	954
PHF	0.95
HV	3.0%

Approach	PHF	HV
NB Approach	0.91	5.6%
SB Approach	0.94	3.3%
EB Approach	0.86	2.8%
WB Approach	0.88	0.7%
Intersection	0.95	3.0%

PHF = Peak Hour Factor
HV = Heavy Vehicles

TURNING MOVEMENTS DIAGRAM

PEAK HOUR SUMMARY

TDG *TRAFFIC DATA GATHERING*

1 E Lake Stevens Rd at Main St

Synchro ID: 1

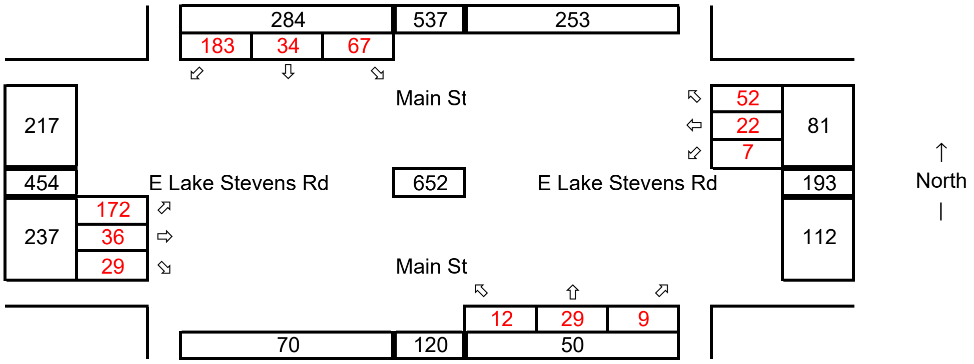
Existing

Average Weekday

PM Peak-Hour

Year: 3/29/2022

Data Source: TDG



Baseline

Average Weekday

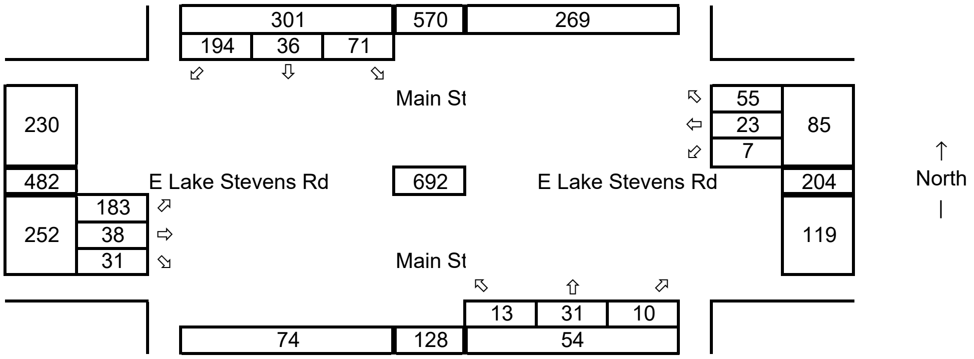
PM Peak-Hour

Year: 2025

Growth Rate = 2.0%

Years of Growth = 3

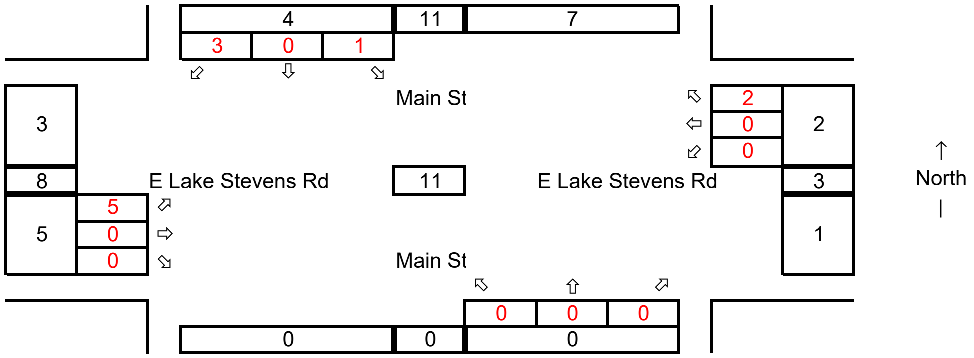
Total Growth = 1.0612



Development

Average Weekday

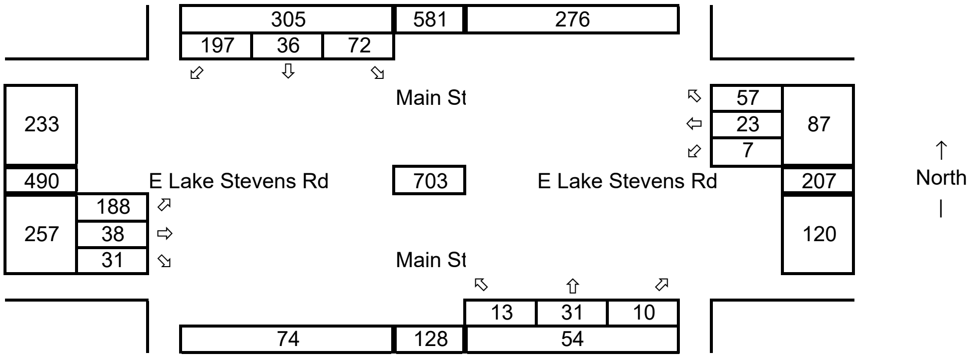
PM Peak-Hour



Future w Development

Average Weekday

PM Peak-Hour

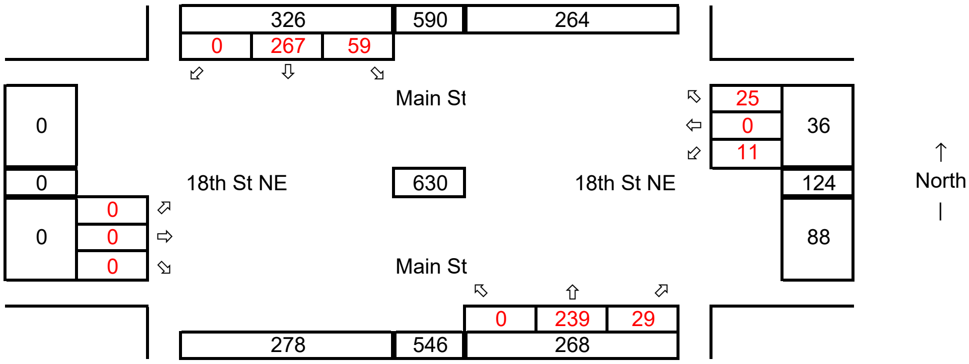


2 18th St NE at Main St

Synchro ID: 2
Existing
Average Weekday
PM Peak-Hour

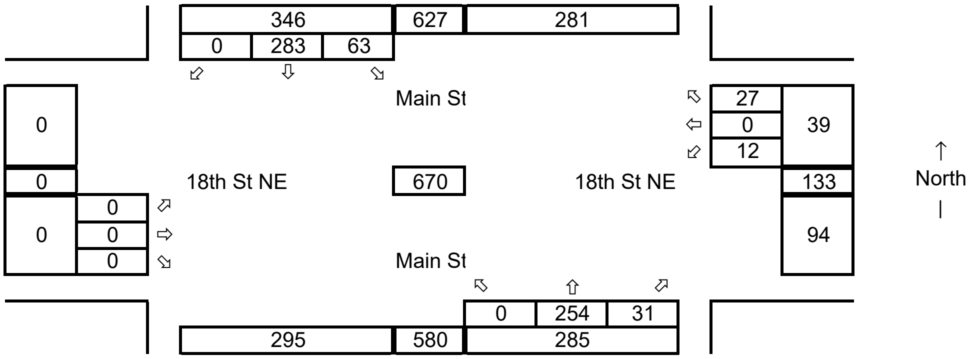
Year: **3/29/2022**

Data Source: **TDG**

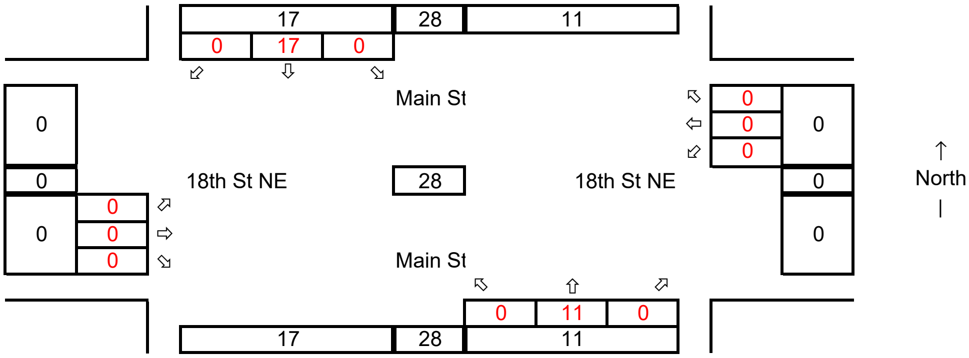


Baseline
Average Weekday
PM Peak-Hour

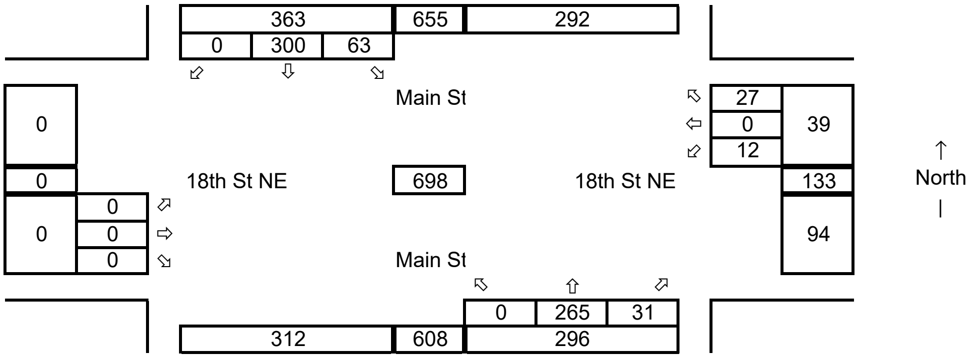
Year: 2025
Growth Rate = 2.0%
Years of Growth = 3
Total Growth = 1.0612



Development
Average Weekday
PM Peak-Hour



Future w Development
Average Weekday
PM Peak-Hour



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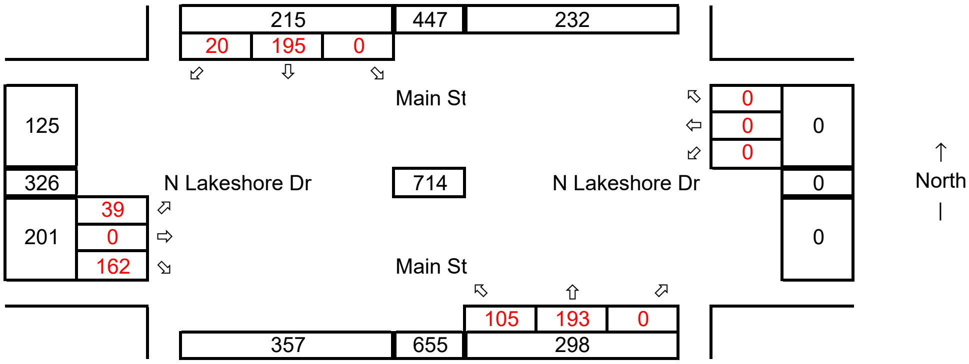
3 N Lakeshore Dr at Main St

Synchro ID: 3

Existing
Average Weekday
PM Peak-Hour

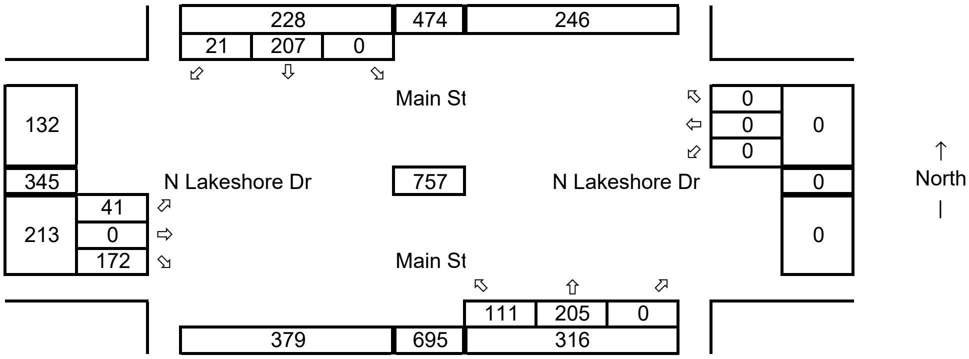
Year: 3/29/2022

Data Source: TDG

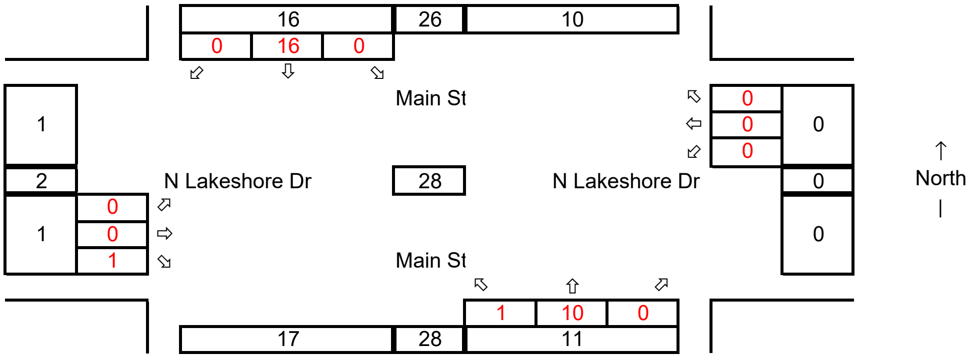


Baseline
Average Weekday
PM Peak-Hour

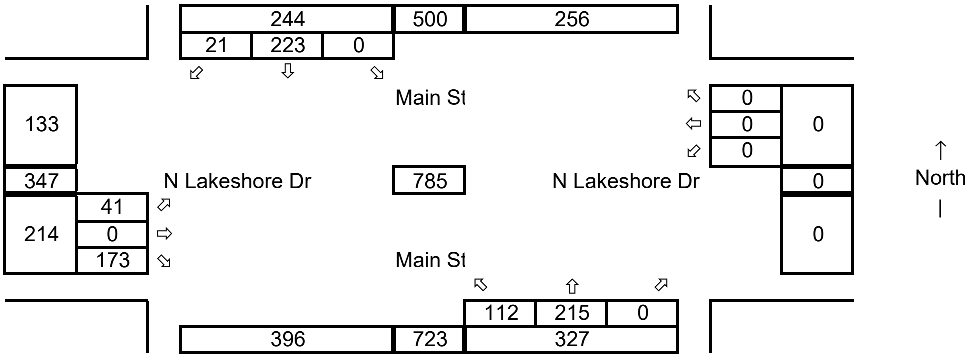
Year: 2025
Growth Rate = 2.0%
Years of Growth = 3
Total Growth = 1.0612



Development
Average Weekday
PM Peak-Hour



Future w Development
Average Weekday
PM Peak-Hour



4 20th St NE at Main St

Synchro ID: 4

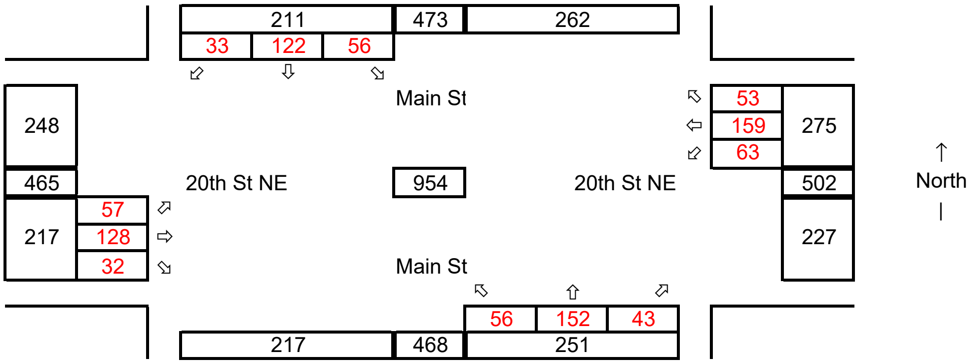
Existing

Average Weekday

PM Peak-Hour

Year: 3/29/2022

Data Source: TDG



Baseline

Average Weekday

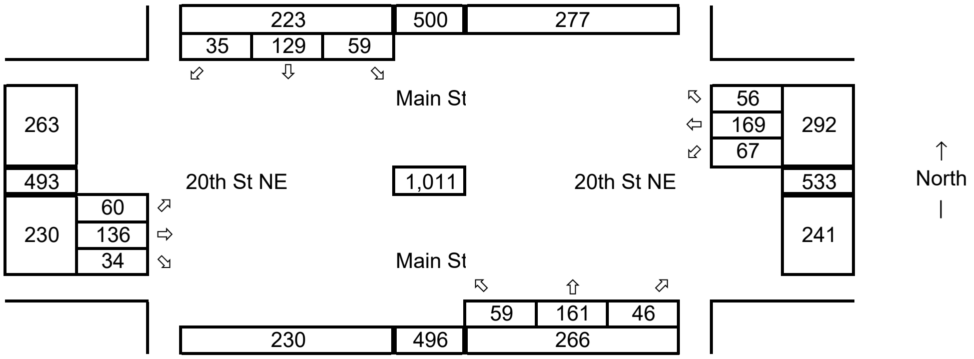
PM Peak-Hour

Year: 2025

Growth Rate = 2.0%

Years of Growth = 3

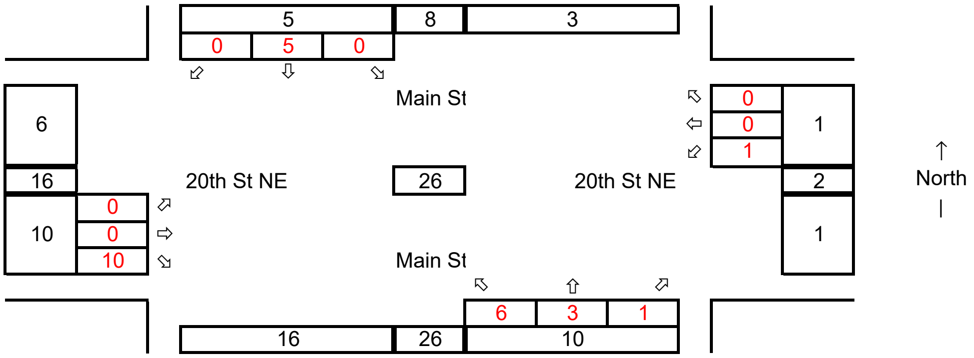
Total Growth = 1.0612



Development

Average Weekday

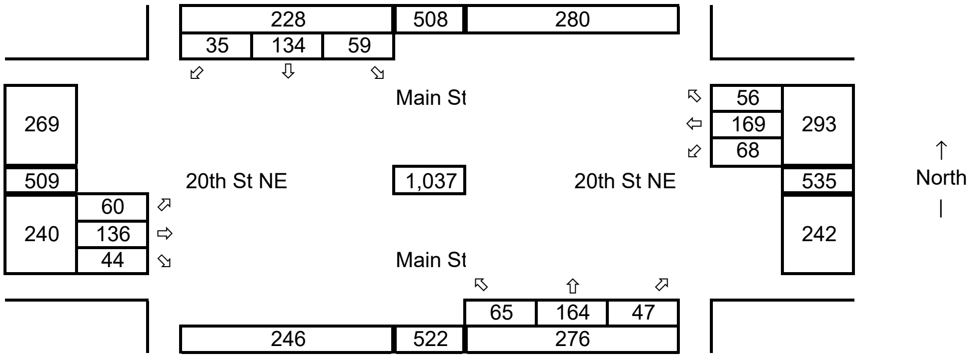
PM Peak-Hour



Future w Development

Average Weekday

PM Peak-Hour



Level of Service Calculations

C

Intersection	
Intersection Delay, s/veh	10.5
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✥			✥			✥			✥	
Traffic Vol, veh/h	172	36	29	7	22	52	12	29	9	67	34	183
Future Vol, veh/h	172	36	29	7	22	52	12	29	9	67	34	183
Peak Hour Factor	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Heavy Vehicles, %	2	2	2	2	2	2	2	2	2	2	2	2
Mvmt Flow	195	41	33	8	25	59	14	33	10	76	39	208
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	11.1	8.6	8.7	10.8
HCM LOS	B	A	A	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	24%	73%	9%	24%
Vol Thru, %	58%	15%	27%	12%
Vol Right, %	18%	12%	64%	64%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	50	237	81	284
LT Vol	12	172	7	67
Through Vol	29	36	22	34
RT Vol	9	29	52	183
Lane Flow Rate	57	269	92	323
Geometry Grp	1	1	1	1
Degree of Util (X)	0.082	0.374	0.123	0.409
Departure Headway (Hd)	5.176	5.003	4.814	4.564
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	685	714	735	784
Service Time	3.263	3.079	2.905	2.624
HCM Lane V/C Ratio	0.083	0.377	0.125	0.412
HCM Control Delay	8.7	11.1	8.6	10.8
HCM Lane LOS	A	B	A	B
HCM 95th-tile Q	0.3	1.7	0.4	2

2: Main St & 18th St NE

Intersection	
Int Delay, s/veh	1.5

Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	Y		↱			↰
Traffic Vol, veh/h	11	25	239	29	59	267
Future Vol, veh/h	11	25	239	29	59	267
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	88	88	88	88	88	88
Heavy Vehicles, %	4	4	4	4	4	4
Mvmt Flow	13	28	272	33	67	303

Major/Minor	Minor1		Major1		Major2	
Conflicting Flow All	726	289	0	0	305	0
Stage 1	289	-	-	-	-	-
Stage 2	437	-	-	-	-	-
Critical Hdwy	6.44	6.24	-	-	4.14	-
Critical Hdwy Stg 1	5.44	-	-	-	-	-
Critical Hdwy Stg 2	5.44	-	-	-	-	-
Follow-up Hdwy	3.536	3.336	-	-	2.236	-
Pot Cap-1 Maneuver	389	745	-	-	1244	-
Stage 1	756	-	-	-	-	-
Stage 2	647	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	364	745	-	-	1244	-
Mov Cap-2 Maneuver	364	-	-	-	-	-
Stage 1	756	-	-	-	-	-
Stage 2	605	-	-	-	-	-

Approach	WB	NB	SB
HCM Control Delay, s	11.9	0	1.5
HCM LOS	B		

Minor Lane/Major Mvmt	NBT	NBR	WBLn1	SBL	SBT
Capacity (veh/h)	-	-	564	1244	-
HCM Lane V/C Ratio	-	-	0.073	0.054	-
HCM Control Delay (s)	-	-	11.9	8.1	0
HCM Lane LOS	-	-	B	A	A
HCM 95th %tile Q(veh)	-	-	0.2	0.2	-

HCM 6th TWSC
3: Main St & N Lakeshore Dr

Intersection	
Int Delay, s/veh	4.8

Movement	EBL	EBR	NBL	NBT	SBT	SBR
Lane Configurations	Y			↰	↱	
Traffic Vol, veh/h	39	162	105	193	195	20
Future Vol, veh/h	39	162	105	193	195	20
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	-	0	0	-
Grade, %	0	-	-	0	0	-
Peak Hour Factor	93	93	93	93	93	93
Heavy Vehicles, %	3	3	3	3	3	3
Mvmt Flow	42	174	113	208	210	22

Major/Minor	Minor2		Major1		Major2	
Conflicting Flow All	655	221	232	0	-	0
Stage 1	221	-	-	-	-	-
Stage 2	434	-	-	-	-	-
Critical Hdwy	6.43	6.23	4.13	-	-	-
Critical Hdwy Stg 1	5.43	-	-	-	-	-
Critical Hdwy Stg 2	5.43	-	-	-	-	-
Follow-up Hdwy	3.527	3.327	2.227	-	-	-
Pot Cap-1 Maneuver	429	816	1330	-	-	-
Stage 1	813	-	-	-	-	-
Stage 2	651	-	-	-	-	-
Platoon blocked, %				-	-	-
Mov Cap-1 Maneuver	388	816	1330	-	-	-
Mov Cap-2 Maneuver	388	-	-	-	-	-
Stage 1	735	-	-	-	-	-
Stage 2	651	-	-	-	-	-

Approach	EB	NB	SB
HCM Control Delay, s	12.9	2.8	0
HCM LOS	B		

Minor Lane/Major Mvmt	NBL	NBT	EBLn1	SBT	SBR
Capacity (veh/h)	1330	-	672	-	-
HCM Lane V/C Ratio	0.085	-	0.322	-	-
HCM Control Delay (s)	8	0	12.9	-	-
HCM Lane LOS	A	A	B	-	-
HCM 95th %tile Q(veh)	0.3	-	1.4	-	-

Intersection	
Intersection Delay, s/veh	13
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✣			✣			✣			✣	
Traffic Vol, veh/h	57	128	32	63	159	53	56	152	43	56	122	33
Future Vol, veh/h	57	128	32	63	159	53	56	152	43	56	122	33
Peak Hour Factor	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95
Heavy Vehicles, %	3	3	3	3	3	3	3	3	3	3	3	3
Mvmt Flow	60	135	34	66	167	56	59	160	45	59	128	35
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	12.5	13.7	13.2	12.4
HCM LOS	B	B	B	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	22%	26%	23%	27%
Vol Thru, %	61%	59%	58%	58%
Vol Right, %	17%	15%	19%	16%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	251	217	275	211
LT Vol	56	57	63	56
Through Vol	152	128	159	122
RT Vol	43	32	53	33
Lane Flow Rate	264	228	289	222
Geometry Grp	1	1	1	1
Degree of Util (X)	0.427	0.374	0.462	0.365
Departure Headway (Hd)	5.823	5.888	5.741	5.921
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	613	605	622	602
Service Time	3.91	3.973	3.822	4.012
HCM Lane V/C Ratio	0.431	0.377	0.465	0.369
HCM Control Delay	13.2	12.5	13.7	12.4
HCM Lane LOS	B	B	B	B
HCM 95th-tile Q	2.1	1.7	2.4	1.7

Intersection	
Intersection Delay, s/veh	11
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✥			✥			✥			✥	
Traffic Vol, veh/h	183	38	31	7	23	55	13	31	10	71	36	194
Future Vol, veh/h	183	38	31	7	23	55	13	31	10	71	36	194
Peak Hour Factor	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Heavy Vehicles, %	2	2	2	2	2	2	2	2	2	2	2	2
Mvmt Flow	208	43	35	8	26	63	15	35	11	81	41	220
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	11.6	8.8	8.9	11.4
HCM LOS	B	A	A	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	24%	73%	8%	24%
Vol Thru, %	57%	15%	27%	12%
Vol Right, %	19%	12%	65%	64%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	54	252	85	301
LT Vol	13	183	7	71
Through Vol	31	38	23	36
RT Vol	10	31	55	194
Lane Flow Rate	61	286	97	342
Geometry Grp	1	1	1	1
Degree of Util (X)	0.092	0.404	0.135	0.44
Departure Headway (Hd)	5.376	5.076	5.014	4.633
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	670	702	719	770
Service Time	3.382	3.17	3.018	2.713
HCM Lane V/C Ratio	0.091	0.407	0.135	0.444
HCM Control Delay	8.9	11.6	8.8	11.4
HCM Lane LOS	A	B	A	B
HCM 95th-tile Q	0.3	2	0.5	2.3

Intersection	
Int Delay, s/veh	1.4

Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	↰↱		↱			↰
Traffic Vol, veh/h	12	27	254	31	63	283
Future Vol, veh/h	12	27	254	31	63	283
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	98	98	98	98	98	98
Heavy Vehicles, %	4	4	4	4	4	4
Mvmt Flow	12	28	259	32	64	289

Major/Minor	Minor1		Major1		Major2	
Conflicting Flow All	692	275	0	0	291	0
Stage 1	275	-	-	-	-	-
Stage 2	417	-	-	-	-	-
Critical Hdwy	6.44	6.24	-	-	4.14	-
Critical Hdwy Stg 1	5.44	-	-	-	-	-
Critical Hdwy Stg 2	5.44	-	-	-	-	-
Follow-up Hdwy	3.536	3.336	-	-	2.236	-
Pot Cap-1 Maneuver	407	759	-	-	1259	-
Stage 1	767	-	-	-	-	-
Stage 2	661	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	382	759	-	-	1259	-
Mov Cap-2 Maneuver	382	-	-	-	-	-
Stage 1	767	-	-	-	-	-
Stage 2	621	-	-	-	-	-

Approach	WB		NB		SB
HCM Control Delay, s	11.6		0		1.5
HCM LOS	B				

Minor Lane/Major Mvmt	NBT	NBR	WBLn1	SBL	SBT
Capacity (veh/h)	-	-	582	1259	-
HCM Lane V/C Ratio	-	-	0.068	0.051	-
HCM Control Delay (s)	-	-	11.6	8	0
HCM Lane LOS	-	-	B	A	A
HCM 95th %tile Q(veh)	-	-	0.2	0.2	-

Intersection	
Int Delay, s/veh	5

Movement	EBL	EBR	NBL	NBT	SBT	SBR
Lane Configurations	Y			↰	↱	
Traffic Vol, veh/h	41	172	111	205	207	21
Future Vol, veh/h	41	172	111	205	207	21
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	-	0	0	-
Grade, %	0	-	-	0	0	-
Peak Hour Factor	93	93	93	93	93	93
Heavy Vehicles, %	3	3	3	3	3	3
Mvmt Flow	44	185	119	220	223	23

Major/Minor	Minor2		Major1		Major2	
Conflicting Flow All	693	235	246	0	-	0
Stage 1	235	-	-	-	-	-
Stage 2	458	-	-	-	-	-
Critical Hdwy	6.43	6.23	4.13	-	-	-
Critical Hdwy Stg 1	5.43	-	-	-	-	-
Critical Hdwy Stg 2	5.43	-	-	-	-	-
Follow-up Hdwy	3.527	3.327	2.227	-	-	-
Pot Cap-1 Maneuver	408	802	1314	-	-	-
Stage 1	802	-	-	-	-	-
Stage 2	635	-	-	-	-	-
Platoon blocked, %				-	-	-
Mov Cap-1 Maneuver	366	802	1314	-	-	-
Mov Cap-2 Maneuver	366	-	-	-	-	-
Stage 1	719	-	-	-	-	-
Stage 2	635	-	-	-	-	-

Approach	EB	NB	SB
HCM Control Delay, s	13.5	2.8	0
HCM LOS	B		

Minor Lane/Major Mvmt	NBL	NBT	EBLn1	SBT	SBR
Capacity (veh/h)	1314	-	652	-	-
HCM Lane V/C Ratio	0.091	-	0.351	-	-
HCM Control Delay (s)	8	0	13.5	-	-
HCM Lane LOS	A	A	B	-	-
HCM 95th %tile Q(veh)	0.3	-	1.6	-	-

HCM 6th AWSC
4: Main St/Hartford Dr & 20th St NE

Intersection	
Intersection Delay, s/veh	14.3
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✣			✣			✣			✣	
Traffic Vol, veh/h	60	136	34	67	169	56	59	161	46	59	129	35
Future Vol, veh/h	60	136	34	67	169	56	59	161	46	59	129	35
Peak Hour Factor	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95
Heavy Vehicles, %	3	3	3	3	3	3	3	3	3	3	3	3
Mvmt Flow	63	143	36	71	178	59	62	169	48	62	136	37
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	13.6	15.3	14.6	13.5
HCM LOS	B	C	B	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	22%	26%	23%	26%
Vol Thru, %	61%	59%	58%	58%
Vol Right, %	17%	15%	19%	16%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	266	230	292	223
LT Vol	59	60	67	59
Through Vol	161	136	169	129
RT Vol	46	34	56	35
Lane Flow Rate	280	242	307	235
Geometry Grp	1	1	1	1
Degree of Util (X)	0.475	0.416	0.514	0.406
Departure Headway (Hd)	6.107	6.183	6.015	6.224
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	588	581	599	577
Service Time	4.153	4.229	4.058	4.271
HCM Lane V/C Ratio	0.476	0.417	0.513	0.407
HCM Control Delay	14.6	13.6	15.3	13.5
HCM Lane LOS	B	B	C	B
HCM 95th-tile Q	2.5	2	2.9	2

Intersection	
Intersection Delay, s/veh	11.1
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✣			✣			✣			✣	
Traffic Vol, veh/h	188	38	31	7	23	57	13	31	10	72	36	197
Future Vol, veh/h	188	38	31	7	23	57	13	31	10	72	36	197
Peak Hour Factor	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Heavy Vehicles, %	2	2	2	2	2	2	2	2	2	2	2	2
Mvmt Flow	214	43	35	8	26	65	15	35	11	82	41	224
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	11.8	8.8	9	11.5
HCM LOS	B	A	A	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	24%	73%	8%	24%
Vol Thru, %	57%	15%	26%	12%
Vol Right, %	19%	12%	66%	65%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	54	257	87	305
LT Vol	13	188	7	72
Through Vol	31	38	23	36
RT Vol	10	31	57	197
Lane Flow Rate	61	292	99	347
Geometry Grp	1	1	1	1
Degree of Util (X)	0.092	0.413	0.138	0.448
Departure Headway (Hd)	5.41	5.096	5.036	4.654
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	666	698	716	766
Service Time	3.417	3.192	3.04	2.735
HCM Lane V/C Ratio	0.092	0.418	0.138	0.453
HCM Control Delay	9	11.8	8.8	11.5
HCM Lane LOS	A	B	A	B
HCM 95th-tile Q	0.3	2	0.5	2.3

Intersection	
Int Delay, s/veh	1.4

Movement	WBL	WBR	NBT	NBR	SBL	SBT
Lane Configurations	Y		↱			↰
Traffic Vol, veh/h	12	27	265	31	63	300
Future Vol, veh/h	12	27	265	31	63	300
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	0	-	-	0
Grade, %	0	-	0	-	-	0
Peak Hour Factor	98	98	98	98	98	98
Heavy Vehicles, %	4	4	4	4	4	4
Mvmt Flow	12	28	270	32	64	306

Major/Minor	Minor1		Major1		Major2	
Conflicting Flow All	720	286	0	0	302	0
Stage 1	286	-	-	-	-	-
Stage 2	434	-	-	-	-	-
Critical Hdwy	6.44	6.24	-	-	4.14	-
Critical Hdwy Stg 1	5.44	-	-	-	-	-
Critical Hdwy Stg 2	5.44	-	-	-	-	-
Follow-up Hdwy	3.536	3.336	-	-	2.236	-
Pot Cap-1 Maneuver	392	748	-	-	1248	-
Stage 1	758	-	-	-	-	-
Stage 2	649	-	-	-	-	-
Platoon blocked, %			-	-		-
Mov Cap-1 Maneuver	368	748	-	-	1248	-
Mov Cap-2 Maneuver	368	-	-	-	-	-
Stage 1	758	-	-	-	-	-
Stage 2	609	-	-	-	-	-

Approach	WB	NB	SB
HCM Control Delay, s	11.8	0	1.4
HCM LOS	B		

Minor Lane/Major Mvmt	NBT	NBR	WBLn1	SBL	SBT
Capacity (veh/h)	-	-	568	1248	-
HCM Lane V/C Ratio	-	-	0.07	0.052	-
HCM Control Delay (s)	-	-	11.8	8	0
HCM Lane LOS	-	-	B	A	A
HCM 95th %tile Q(veh)	-	-	0.2	0.2	-

Intersection	
Int Delay, s/veh	5

Movement	EBL	EBR	NBL	NBT	SBT	SBR
Lane Configurations	↰↱			↰↑	↑↱	
Traffic Vol, veh/h	41	173	112	215	223	21
Future Vol, veh/h	41	173	112	215	223	21
Conflicting Peds, #/hr	0	0	0	0	0	0
Sign Control	Stop	Stop	Free	Free	Free	Free
RT Channelized	-	None	-	None	-	None
Storage Length	0	-	-	-	-	-
Veh in Median Storage, #	0	-	-	0	0	-
Grade, %	0	-	-	0	0	-
Peak Hour Factor	93	93	93	93	93	93
Heavy Vehicles, %	3	3	3	3	3	3
Mvmt Flow	44	186	120	231	240	23

Major/Minor	Minor2		Major1		Major2	
Conflicting Flow All	723	252	263	0	-	0
Stage 1	252	-	-	-	-	-
Stage 2	471	-	-	-	-	-
Critical Hdwy	6.43	6.23	4.13	-	-	-
Critical Hdwy Stg 1	5.43	-	-	-	-	-
Critical Hdwy Stg 2	5.43	-	-	-	-	-
Follow-up Hdwy	3.527	3.327	2.227	-	-	-
Pot Cap-1 Maneuver	392	784	1295	-	-	-
Stage 1	788	-	-	-	-	-
Stage 2	626	-	-	-	-	-
Platoon blocked, %				-	-	-
Mov Cap-1 Maneuver	350	784	1295	-	-	-
Mov Cap-2 Maneuver	350	-	-	-	-	-
Stage 1	704	-	-	-	-	-
Stage 2	626	-	-	-	-	-

Approach	EB		NB		SB	
HCM Control Delay, s	13.9		2.8		0	
HCM LOS	B					

Minor Lane/Major Mvmt	NBL	NBT	EBLn1	SBT	SBR
Capacity (veh/h)	1295	-	633	-	-
HCM Lane V/C Ratio	0.093	-	0.364	-	-
HCM Control Delay (s)	8.1	0	13.9	-	-
HCM Lane LOS	A	A	B	-	-
HCM 95th %tile Q(veh)	0.3	-	1.7	-	-

HCM 6th AWSC
4: Main St/Hartford Dr & 20th St NE

Intersection	
Intersection Delay, s/veh	14.9
Intersection LOS	B

Movement	EBL	EBT	EBR	WBL	WBT	WBR	NBL	NBT	NBR	SBL	SBT	SBR
Lane Configurations		✥			✥			✥			✥	
Traffic Vol, veh/h	60	136	44	68	169	56	65	164	47	59	134	35
Future Vol, veh/h	60	136	44	68	169	56	65	164	47	59	134	35
Peak Hour Factor	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95
Heavy Vehicles, %	3	3	3	3	3	3	3	3	3	3	3	3
Mvmt Flow	63	143	46	72	178	59	68	173	49	62	141	37
Number of Lanes	0	1	0	0	1	0	0	1	0	0	1	0

Approach	EB	WB	NB	SB
Opposing Approach	WB	EB	SB	NB
Opposing Lanes	1	1	1	1
Conflicting Approach Left	SB	NB	EB	WB
Conflicting Lanes Left	1	1	1	1
Conflicting Approach Right	NB	SB	WB	EB
Conflicting Lanes Right	1	1	1	1
HCM Control Delay	14.1	15.8	15.3	13.9
HCM LOS	B	C	C	B

Lane	NBLn1	EBLn1	WBLn1	SBLn1
Vol Left, %	24%	25%	23%	26%
Vol Thru, %	59%	57%	58%	59%
Vol Right, %	17%	18%	19%	15%
Sign Control	Stop	Stop	Stop	Stop
Traffic Vol by Lane	276	240	293	228
LT Vol	65	60	68	59
Through Vol	164	136	169	134
RT Vol	47	44	56	35
Lane Flow Rate	291	253	308	240
Geometry Grp	1	1	1	1
Degree of Util (X)	0.5	0.439	0.525	0.421
Departure Headway (Hd)	6.195	6.251	6.123	6.322
Convergence, Y/N	Yes	Yes	Yes	Yes
Cap	581	576	589	569
Service Time	4.247	4.305	4.173	4.378
HCM Lane V/C Ratio	0.501	0.439	0.523	0.422
HCM Control Delay	15.3	14.1	15.8	13.9
HCM Lane LOS	C	B	C	B
HCM 95th-tile Q	2.8	2.2	3	2.1

Traffic Impact Fee Worksheet

D

City of Lake Stevens - Traffic Impact Fee Determination Worksheet

Name of Development: Mill Spur Mixed-Use

Date Prepared: 04/19/2022 Prepared by: Brad Lincoln, PE

Base Impact Fee Calculation

1. Land use: Multifamily Housing (Low-Rise) and High-Turnover (Sit-Down) Restaurant (1)
2. PM Peak Hour Trip Number from latest edition of ITE Trip Generation Manual

   Code: 220/932 Average Trip Generation Rate: See TIA Section 3 (2)

3. Pass-by Trip reduction

   Percentage from Table T-1: --- % percentage x (2): See TIA Section 3 (3)

4. Total new Peak Hour Trips

   (2) – (3): 39 PM Trips (4)

5. Traffic Impact Zone (TIZ) Per Trip Fee: see Figure 1 for map of TIZ

   ~~TIZ 1 =$2,039~~ $2,771 ~~TIZ 2 & TIZ 3 = $2,917~~ $3,500 Per Trip Fee: $3,500 (5)

6. **Calculated Base Impact Fee**

   (4) X (5): $136,500 total see TIA for details (6)

Offsite System Improvements – Credits for offsite transportation improvements may be given when the improvements are portions of a project identified in the City's Capital Facility Plan used in the determination of the Traffic Impact Fee "per trip fee." City staff can provide a list of the system projects. The determination of a credit is based on City approved costs estimates provided by the Developer's site engineer. A credit for offsite system improvements cannot be greater than the Calculated Base Impact Fee.

State Environmental Policy Act (SEPA) – excerpt from City Municipal Code

14.112.070 Relationship to the State Environmental Policy Act (SEPA).
This chapter establishes minimum impact fees, applied to all developments. These fees are presumed to mitigate traffic demand on the capacity of the city street system. However, each development shall be reviewed and be subject to the substantive authority of SEPA for potential adverse traffic impacts on the street system not mitigated by this fee.

DEVELOPMENT AGREEMENT WITH LAKEVIEW FLATS, LLC TO CONSTRUCT A COMMERCIAL BUILDING IN DOWNTOWN LAKE STEVENS

This Development Agreement (**Agreement**) is made this ___ day of ______________, 2022 ("**Effective Date**"), by and between the City of Lake Stevens, a Washington municipal corporation (the "**City**"), and Lakeview Flats, LLC, a Washington limited liability company ("**Lakeview**"). The City and Lakeview may be referred to herein individually as a "**Party**" or collectively as the "**Parties**".

I. RECITALS

A. The City is a noncharter Optional Municipal Code city incorporated under the laws of the State of Washington. The City has authority to enact laws and enter into agreements to promote the health, safety and welfare of its citizens and thereby control the use and development of the real property known as 1800 Main Street and specify zoning and land use regulatory controls with the jurisdictional limits of the City.

B. The City has authority under RCW 36.70B.170 through 36.70B.210 and Lake Stevens Municipal Code ("**LSMC**") section 14.16C.055 to enter into a development agreement with a person having ownership or control of real property wherein they agree to development standards and other provisions that shall apply and govern and vest the development, use and mitigation of the real property. This Agreement is also entered into under the City's general contracting authority and the City's State Environmental Policy Act ("**SEPA**") mitigation agreement authority.

C. The City owns a commercially zoned parcel of real property generally identified as 1800 Main Street (Parcel No. 00553800003100), located at the intersection of Mill Spur (18th Street NE) and Main Street ("the Project Property"), legally described in **Exhibit A** and depicted on **Exhibit B** hereto. The Project Property is entirely within the Downtown Planning Area of the City.

D. The City adopted the Downtown Lake Stevens Subarea Plan (Downtown Plan) pursuant to RCW 36.70A.080, which identifies preferred land uses, establishes development thresholds and defines the necessary capital improvements for implementation of the Downtown Plan to increase the City's employment base and to promote economic development in this area.

E. Pursuant to Chapters 35.77 and 47.26 RCW the City prepared and adopted its 2022 -2027 Transportation Improvement Plan ("**TIP**"), consistent with the Capital Facilities Element of the City's Comprehensive Plan, which includes road improvements for Mill Spur and Main Street that front the Project Property.

F. Lakeview intends to purchase the Project Property from the City pursuant to a separate purchase and sale agreement (the "**PSA**") substantially in the form attached hereto as **Exhibit C.** Upon completion of the purchase, Lakeview will own the Project Property.

G. Lakeview intends to develop, construct and operate on the Project Property a mixed-use commercial building consistent with the Letter of Intent attached hereto as **Exhibit D** and with parking and other infrastructure improvements ("**Lakeview Project**").

H. The City also owns real property west of the Project Property at 1709 123rd Dr. N.E. (Parcel No. 00553800003800). For clarification, portions of the foregoing parcel were dedicated to the City for road purposes. Use of the parcel for parking to meet the parking requirements of Ch. 14.72 LSMC for the Lakeview Project is intended by the parties, with shared use rights by the City for community events as set forth in **Exhibit E** (Lease Agreement) and depicted in **Exhibit B**. Subject to purchase of the Project Property by Lakeview the City agrees to lease 1709 123rd Dr. N.E. to Lakeview pursuant to the Lease Agreement. City shall be responsible for the parking lot design sufficient for the permitting of a parking lot on this parcel. The parking lot will be constructed at the sole cost and expense of Lakeview. The City also agrees on the terms set forth in the Option to Purchase Agreement attached to **Exhibit G** (to be executed at closing of Lakeview's purchase of the Project Property and execution of the lease agreement) to grant Lakeview an option to purchase the leased property at 1702 Main Street Property. Timing of the sale of the property at 1702 Main Street shall be in accordance with the terms of the option to purchase agreement.

I. A site plan for the Lakeview Project, including the parking offsite area, following the completion of the onsite and offsite improvements, is attached as **Exhibit B**.

J. Both the City and Lakeview find it desirable to enter into this Agreement to plan for the orderly development of the Lakeview Project and the necessary environmental mitigation and public transportation infrastructure to support the Lakeview Project.

K. The City finds that the Lakeview Project will provide economic and community benefit to the City and its residents. The public benefits of entering into this Agreement for the Lakeview Project include increased property and sales tax revenues and the creation of employment opportunities for residents of the City in the Downtown Lake Stevens Subarea.

L. The mutual goals that will be achieved through implementation of this Agreement include, without limitation:

   i. Facilitating development of the Lakeview Project within the Downtown Lake Stevens Subarea, which will provide needed goods, services and employment opportunities to Lake Stevens' residents;

   ii. Maximizing the effectiveness of public and private planning and financial resources to coordinate development of the Lakeview Project and related public infrastructure;

   iii. Providing certainty and predictability for development of the Lakeview Project; and

   iv. Generating increased property and sales tax revenues for the City and Snohomish County.

II. AGREEMENT

1. Lakeview Project. In exchange for the promises and consideration contained in this Agreement, Lakeview shall have the vested right to construct the Lakeview Project, which will include a building that contains approximately 17,128 square feet, 26 onsite parking spaces, 14 street parking spaces and 7 leased parking spaces, as depicted on **Exhibit B pursuant to the current development regulations of the City**. The target date for completion of the Lakeview Project is tweleve (12) months from approval of required building permit, which permit shall be applied for and pursued by Lakeview with due diligence immediately following the execution of this Agreement. Lakeview shall not be found to have violated this Agreement if the Lakeview Project undertakes reasonable

efforts in the exercise of due diligence to complete the Lakeview Project by the target date or as soon thereafter as in the exercise of due diligence is possible.

2. Design.
   a. Mixed-Use with active first-floor use;
   b. Complements vision for downtown Lake Stevens;
   c. Contemporary Northwest Style;
   d. Mix of materials such as wood, stone, masonry, and metal;
   e. Distinctive rooflines;
   f. Large mullioned window; and
   g. Outdoor plaza and seating areas.

3. Parking. Pursuant to Lake Stevens Municipal Code 14.72.020 Flexibility in Administration Required, the permit-issuing authority may permit deviations from the presumptive requirements and may require more parking or allow less parking whenever it finds that such deviations are more likely to satisfy the standard set forth in Section 14.72.020(a). Lakeview has provided a parking study to justify its need for shared and on-street parking allowed in LSMC 14.38.060. The City approves this request to allow parking as shown on **Exhibit B** for the Lakeview Project.

4. Frontage Improvements. The construction of the Lakeview Project is dependent on the City's construction of the following frontage improvements and extension and/or upgrading of affected utilities improvements (hereinafter collectively "**Frontage Improvements**"). The City will endeavor to construct Mill Spur as a planned capital improvement this year. Lakeview is responsible to construct the frontage improvements shown on **Exhibit B** outside of the Mill Spur Project.

5. Responsibility for Design and Construction.
   a. Lakeview will be responsible for the design (except as otherwise provided herein) and construction of 1800 Main Street outside of the Mill Spur limits and related utilities including but not limited to necessary sewer, water, stormwater and communications improvements.
   b. The City will be responsible for the design and construction of Mill Spur and Main Street Intersection. The City will be responsible for the design of the parking lot off Mill Spur that Lakeview will construct.

6. Timing of Lakeview's Closing. The PSA will govern the timing of the closing of Lakeview's acquisition of 1800 Main Street.

7. Transportation Mitigation, Impact Fees, and Concurrency. Lakeview shall pay Transportation Mitigation, Impact Fees due pursuant to LSMC Chapter 14.112. and assessed at the rates then in effect at the time of building permit issuance as provided in LSMC 14.112.100.. The City confirms that the Lakeview Project is concurrent. The City agrees that no further concurrency review and/or mitigation of transportation impacts are required for the Lakeview Project. The City's agreement in this Section 7 is subject to the City's review of that Mill Spur Mixed-Use Traffic Impact Analysis, dated April 2022.

8. State Environmental Policy Act (Ch. 43.21C "**SEPA**") / National Environmental Policy Act (40 CFR Parts 1500-1508 "**NEPA**") Compliance. SEPA and NEPA compliance for the Development shall occur in accordance with the provisions of this Paragraph:

a. Planned Action Determination. The Lakeview Project is within the area described in City Ordinance No. 1025, which approved a SEPA Planned Action for the Downtown Subarea, pursuant to RCW 43.21C.031 ("**Planned Action Ordinance**"), attached as **Exhibit F**. The Planned Action Ordinance and supporting documentation addressed the environmental impacts associated with development within the Downtown Subarea to facilitate and expedite the environmental review of future individual development projects. The Lakeview Project is an implementing project for purposes of the Planned Action Ordinance.

b. Confirmation of Consistency. The Lakeview Project is consistent with the Planned Action Ordinance and thereby qualifies as a Planned Action Project that complies with Ch. 43.21C RCW and Ch. 16.04 LSMC.

c. Except as described below, no SEPA threshold determination, environmental impact statement, or additional SEPA review shall be required for the Lakeview Project. Future development permit applications implementing this Agreement will not require additional SEPA review if the City confirms that the application is consistent with the Planned Action Determination.

d. Further SEPA Compliance Included in this Agreement. Pursuant to RCW 36.70B.170(3)(c), this Agreement addresses the "mitigation measures, development conditions, and other requirements under Ch. 43.21C RCW" that are applicable to the Lakeview Project. Pursuant to RCW 43.21C.240(2) & (3), the City finds that the mitigation measures in this Agreement and the analyses and mitigation required by other local, state, and federal laws and regulations provide adequate analysis of, and mitigation for, the identified adverse environmental impacts of the Lakeview Project.

e. Submission of Documentation to Determine Development Consistency. For each permit application that would otherwise be subject to SEPA review, Lakeview shall submit a completed SEPA checklist, or other documents acceptable to the City's Designated Official, to confirm consistency of the proposed development with this Agreement and the existing SEPA determinations. Submission of the future SEPA checklist or other documentation is for informational purposes to confirm consistency of the proposed development and mitigations established in this Agreement and shall not be a basis for additional SEPA process or mitigation so long as the proposed development materially conforms to the terms of this Agreement and no additional significant, adverse environmental impacts are identified using the following criteria.

f. Limitations on Additional SEPA Review and Mitigation for Implementing Applications. This Agreement is consistent with the Planned Action process, and the SEPA mitigation for the build out of the Lakeview Project has been incorporated into this Agreement. As such, the Designated Official may require further SEPA review and mitigation only to the extent that an implementing entitlement approval or requested modification meets the following conditions:

i. The City concludes that a requested entitlement application is likely to cause unmitigated, significant, adverse environmental impacts that have not been previously analyzed in the Planned Action process or other SEPA environmental documents; or

ii. The City concludes, pursuant to WAC 197-11-600(3)(B), that substantial changes have been made to the development proposal that are likely to have significant, adverse impacts that have not been previously analyzed in the Planned Action process or other SEPA environmental documents; or

iii. As otherwise required by RCW 43.21C.440 and WAC 197-11-169 and WAC 197-11-172.

9. Vested Rights and Term. The Lakeview Project shall be governed by this Agreement and is vested to the applicable provisions of the City of Lake Stevens Municipal Code and other land use regulations and controls in effect on the Effective Date of this Agreement. Lakeview shall have the right to construct the Lakeview Project in accordance with this Agreement and the City's substantive land use regulations and controls including, but not limited, to mitigation, zoning, and construction regulations in effect on the Effective Date. Per RCW 36.70B.170(3)(i), the term of this Agreement is five (5) years to commence on the Effective Date unless the expiration date is extended by the mutual written agreement of the Parties per Chapter 14.16A and 14.6B LSMC, but in no event shall the vesting period exceed one hundred and twenty (120) months (10 years) from the effective date of this Agreement. Unless otherwise agreed to by the Parties, Lakeview shall apply for all necessary permits and project approvals for the Lakeview Project within the Agreement's five (5) year term. For purposes of this Agreement, the City's land use regulations and controls are "development standards" as that term is defined in RCW 36.70B.170(3) and are vested for the term of this Agreement and are material to Lakeview's decision to enter into this Agreement. Complete applications submitted during the term of this Agreement shall be governed by the City's land use regulations and controls in effect on the Effective Date of this Agreement regardless of whether those applications remain under review following the expiration of this Agreement.

10. Limitation on Imposition of New or Modified Land Use Regulations. In accordance with RCW 36.70B.180, during the term of this Agreement the City shall not modify or impose new or additional development standards applicable to the Lakeview Project. To the extent this Agreement does not establish development standards, process, procedures, or similar elements covering a certain subject, element or condition, then the Lakeview Project shall be governed by the City's land use regulations and controls in effect upon the Effective Date of this Agreement, except as follows:

a. Stormwater Detention and Treatment. The stormwater standards applicable to the Lakeview Project are set forth in LSMC Chapter 11.06 and the 2014 DOE Stormwater Manual for Western Washington. Except as state law or NPDES permits may otherwise require, the Lakeview Project is vested to these stormwater standards for the five (5) year period established in Paragraph 12 (*Vested Rights and Term*).

b. Serious Threat to Public Health or Safety. The City Council may modify one or more of the City's land use regulations and controls during the term of this Agreement to the extent required to avoid a serious threat to the public health or safety. Any serious threat must be reasonably believed to be imminent and permanent.

c. Updated International Codes Apply. Notwithstanding the foregoing, the International Building Code, International Fire Code, and other construction codes in effect in the

State of Washington, and as adopted by the City of Lake Stevens on the date of filing a complete building permit application for the Lakeview Project, shall apply.

11. Amendment. This Agreement may be amended as follows:

"**Major Amendments**" shall be processed consistent with LSMC 14.16C.055(g) and require a public hearing before the Lake Stevens City Council. Major Amendments are those that materially change the terms of this Agreement by:

i. Modifying the term of this Agreement.

All other proposed revisions will be considered "**Administrative Amendments**" and shall be reviewed and decided by the City's Director of Planning and Community Development based on consistency with this Agreement and the provisions of the Lake Stevens Municipal Code.

12. Agreement to Run with the Land. For the term of this Agreement, the benefits and obligations of this Agreement shall run with the land and continue following the subdivision, leasing, or transfer of ownership to Lakeview's successors and assigns.

13. Definitions. Words and phrases highlighted in bold herein shall have the meaning ascribed to them by this Agreement. All other words and phrases shall be interpreted using the ordinary meaning derived from dictionaries in common usage such as Oxford's American Dictionary, Merriam-Webster's Dictionary, or the American Heritage Collegiate Dictionary.

14. Construction of Documents. In the event there are any conflicts or ambiguities between the terms of the body of this Agreement, the terms of the Exhibits, the City's Comprehensive Plan, or the LSMC, the terms of the body of this Agreement shall control.

15. Recitals and Exhibits Incorporated by Reference. All Recitals and Exhibits referenced in this Agreement are hereby incorporated by this reference and shall be considered as material terms of this Agreement.

16. Integration. This Agreement and its component elements constitute the entire understanding between the Parties regarding the subject matter hereof, and no prior oral or written agreement shall be valid.

17. Headings. The headings used in this Agreement are for convenience only and shall not be used to interpret the terms of this Agreement.

18. Obligation to Abide by Law. The Parties acknowledge their respective obligations to abide by county, state and federal laws and regulations which may be applicable to this Agreement. Subject to the terms hereof, the City shall not be prevented from enforcing such laws where applicable or where related to City funding requirements.

19. Reservation of Police Power or Condemnation Authority. By executing this Agreement, the City does not in any manner waive its police power or condemnation authority. This reservation of authority includes, but is not limited to, the authority to impose new or different regulations upon the Lakeview Project to the extent required by a serious threat to public health or safety.

20. Recordation. Pursuant to RCW 36.70B.190, this Agreement shall be recorded with the Snohomish County Auditor at Lakeview's expense following final execution. Lakeview shall promptly provide the City with proof of such recording.

21. Authority. By executing this Agreement, each Party represents and warrants that it has taken all necessary steps under its corporate authorities to authorize such act, and that its execution of this Agreement is valid and binding for all purposes articulated herein.

22. Binding Effect; Assignability. This Agreement shall bind and inure to the benefit of the Parties hereto and their respective successors, heirs, legatees, representatives, receivers, trustees, successors, transferees and assigns.

23. Interpretation. This Agreement has been reviewed and revised by legal counsel for both Parties, and no presumption or rule construing ambiguity against the drafter of the document shall apply to the interpretation or enforcement of this Agreement. Nothing herein shall be construed as a waiver of the City's constitutional and statutory powers. Nothing herein shall be construed or implied that the City is contracting away its constitutional and statutory powers, except as otherwise authorized by law.

24. Authority. Each signatory to this Agreement represents and warrants that he or she has full power and authority to execute and deliver this Agreement on behalf of the Party for which he or she is signing, and that he or she will defend and hold harmless the other Parties and signatories from any claim that he or she was not fully authorized to execute this Agreement on behalf of the person or entity for whom he or she signed. Upon proper execution and delivery, this Agreement will have been duly entered into by the Parties, will constitute as against each Party a valid, legal and binding obligation that shall run with the land, and will be enforceable against each Party in accordance with the terms herein.

25. Delays. If either Party is delayed in the performance of its obligations in this Agreement due to Force Majeure, then performance of such obligation shall be excused for the period of delay. Force Majeure means extraordinary natural events or conditions such as war, riot, labor disputes, pandemics (including governmental restrictions in response thereto), or other causes that affect the performance of this agreement beyond the reasonable control of the obligated party. Except as otherwise provided in Paragraphs 6-8, the City's or Lakeview's inability to fund, or decision not to fund, any of its obligations shall not be an acceptable reason for delay.

26. Notices. All notices, requests, demands, and other communications called for or contemplated by this Agreement shall be in writing, and shall be duly given by mailing the same by certified mail, return receipt requested; or by delivering the same by hand, to the following addresses, or to such other addresses as the Parties may designate by written notice in the manner aforesaid.

Lakeview Flats, LLC
Brian Lewandowski
Manager
5418 – 123rd Ave NE
Lake Stevens, WA 98258

City of Lake Stevens

c/o Gene Brazel
City Hall
1812 Main Street
Lake Stevens, WA 98258

And to its Attorney:
Ogden Murphy Wallace
c/o Greg Rubstello
901 5th Avenue
Suite 3500
Seattle, WA 98164

27. Dispute Resolution. It is the Parties' intent to work cooperatively and to resolve disputes in an efficient and cost-effective manner.

a. Appeals of Permit Decisions. All appeals of permit decisions related to the Lakeview Project shall be governed by the applicable provisions of the LSMC.

b. Settlement Meeting. If any dispute arises between the Parties relating to this Agreement, then the Parties shall meet and seek to resolve the dispute in good faith, within ten (10) days after a Party's request for such a meeting. The City shall send the Designated Official and persons with information relating to the dispute, and Lakeview shall send an owner's representative and any consultant or other person with technical information or expertise related to the dispute.

c. Unresolved Disputes. If the Parties are unable to resolve their dispute at the Settlement Meeting, either Party may provide the other Party with a Notice of Default, setting out the nature of the dispute and proposed resolution. The Party issuing the Notice of Default is referred to herein as the "**Non-Defaulting Party**" and the Party receiving the Notice of Default is referred to as the "**Defaulting Party**". The Defaulting Party shall have ten (10) business days to respond to Notice of Default. If the Defaulting Party fails to respond or the dispute remains unresolved at the end of the ten (10) day period, the Non-Defaulting Party may commence an action in Superior Court to enforce this Agreement. The Parties may in their joint discretion mutually agree to extend the ten (10) day period for cure. If an extension agreement is reached, the Non-Defaulting Party shall not exercise any legal remedies until and unless the applicable cure period has expired, and the default remains materially uncured at such time.

d. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any judicial action arising out of or relating to this Agreement shall lie in Snohomish County Superior Court.

e. Specific Performance. The Parties specifically agree that damages are not an adequate remedy for breach of this Agreement and that the Parties are entitled to compel specific performance of all material terms of this Agreement by any Party in default hereof. All terms and provisions of this Agreement are material.

f. Attorneys' Fees. In any administrative or judicial action to enforce or determine a party's rights under this Agreement, the prevailing party (or the substantially prevailing party, if no one party prevails entirely) shall be entitled to reasonable attorneys' fees, expert witness fees, and costs, including fees and costs incurred in the appeal of any ruling of a lower court.

28. No Third-Party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

29. Severability. This Agreement does not violate any federal or state statute, rule, regulation or common law known; but any provision which is found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining viable and in effect.

30. Cooperation in Execution of Documents. The Parties agree to properly and promptly execute and deliver any and all additional documents that may be necessary to render this Agreement practically effective. This Paragraph shall not require the execution of any document that expands, alters or in any way changes the terms of this Agreement.

31. Exhibits. This Agreement includes the following exhibits which are incorporated by reference herein:

   a. **Exhibit A** – Legal Description of Project Property
   b. **Exhibit B** – Site Plan of Project Property, including developer required frontage improvements
   c. **Exhibit C** – Purchase and Sale Agreement
   d. **Exhibit D** - Letter of Intent
   e. **Exhibit E** – Parking Lot Property Lease Agreement with attached Option Agreement
   f. **Exhibit** F - Planned Action Ordinance

32. Compliance with Other Regulatory Agency Requirements. The Parties expressly acknowledge that public agencies other than the City may impose standards, conditions and requirements upon the Lakeview Project which are separate from, and additional to, those contained in this Agreement. Other public agencies with jurisdiction over the Lakeview Project may include, without limitation, the Washington State Department Ecology, the Army Corps of Engineers, and the Washington State Department of Labor and Industries.

33. Full Understanding. The Parties each acknowledge, represent and agree that they have read this Agreement; that they fully understand the terms thereof; that they have had the opportunity to be fully advised by their legal counsel and any other advisors with respect thereto; and that they are executing this Agreement after sufficient review and understanding of its contents.

34. Final and Complete Agreement. This Agreement is integrated and constitutes the final and complete expression of the Parties on all subjects relating to the Development. This Agreement may not be modified, interpreted, amended, waived or revoked orally, but only by a writing signed by all Parties. This Agreement supersedes and replaces all prior agreements, discussions and representations on all subjects discussed herein, without limitation. No Party is entering into this Agreement in reliance on any oral or written

promises, inducements, representations, understandings, interpretations or agreements other than those contained in this Agreement and the exhibits hereto.

[Signatures follow.]

IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date first set forth above.

CITY OF LAKE STEVENS

By:________________________________
Brett Gailey, Mayor

ATTEST:

____
Kelly Chelin, City Clerk

APPROVED AS TO FORM:

____
Greg A. Rubstello, City Attorney

STATE OF ________________________)
) ss:
COUNTY OF ________________________)

I certify that I know or have satisfactory evidence that ________________________is the person who appeared before me, and s/he acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Mayor, of City of Lake Stevens that executed the within and foregoing instrument, to be the free and voluntary act of such party of the uses and purposes mentioned in the instrument.

DATED: ______________________, 2022.

____
Print Name: __________________________
NOTARY PUBLIC in and for the State of
_________________________, residing at:
____
My Appointment Expires: _______________

[Signature follows.]

IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date first set forth above.

LAKEVIEW FLATS, LLC

By:________________________________
Name:______________________________
Its:________________________________

APPROVED AS TO FORM:

____
, Attorney for Lakeview Flats, LLC

STATE OF ________________________)
) ss:
COUNTY OF ________________________)

I certify that I know or have satisfactory evidence that ______________________is the person who appeared before me, and s/he acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the ___________, of the Lakeview Flats, LLC that executed the within and foregoing instrument, to be the free and voluntary act of such party of the uses and purposes mentioned in the instrument.

DATED: ______________________, 2022.

____
Print Name: _________________________
NOTARY PUBLIC in and for the State of
_________________________, residing at:
____
My Appointment Expires: ______________

EXHIBIT A

Legal Description

RENAS ADD TO LAKE STEVENS BLK 000 D-00 – LOTS 31-32 EXC E 12FT THOF DEEDED TO CO RECAF NO 962679

Tax Parcel ID No. 00553800003100

Commonly known as: 1800 Main Street, Lake Stevens, WA 98258-7712

Related Parcels

Parcel V of city of Lake Stevens Boundary Line Adjustment recorded under AFN 202110295003 as modified by city of Lake Stevens Right-of-way dedication recorded under AFN 20220110542

EXHIBIT B

Conceptual Site Plan

RECEIVED
By Planning Department at 4:11 pm, Apr 28, 2022

PARKING STALL REQUIREMENTS PER LSMC 14.38.060:

USE/OCC.	AREA (FT²)	REQUIRE	TOTAL STALLS
MAIN LEVEL			
COFFEE/CAFÉ	1,319	10/1000	13.19
RESTAURANT #1	3,627	10/1000	36.27
SECOND LEVEL			
RESTAURANT #2	1,158	10/1000	11.58
COMM. KITCHEN	948	2/1000	1.90
CONDO #201	1,345	2.25	2.25
CONDO #202	1,113	2.25	2.25
THIRD LEVEL			
CONDO #301	1,345	2.25	2.25
CONDO #302	1,209	2.25	2.25
CONDO #303	1,063	2.25	2.25
CONDO #304	1,646	2.25	2.25
TOTAL STALLS REQUIRED:			**76**
ONSITE STALLS PROVIDED:			26
OFFSITE STALLS TO BE LEASED:			7
OFFSITE STREET STALLS (25%):			14
SHARED STALLS (25%):			19
TOTAL PROVIDED/AVAILABLE:			**66**
CURRENT STALL SURPLUS:			**-10**

REQUESTED MODIFICATIONS:

LSMC 14.38.060.C: REDUCTION OF OFF-STREET PARKING AREAS:
(1) PARKING IN ADJACENT LOT (7 STALLS)
(4) 25% REDUCTION THRU ON-STREET PARKING ALONG IMPROVED FRONTAGES
LSMC 14.72.070: JOINT-USE OF PARKING SPACES:
25% REDUCTION DUE TO DIFFERENT USES SHARING PARKING STALLS, TO BE USED AT DIFFERENT TIMES, PER THE ANALYSIS BELOW.

ALTERNATE PARKING ANALYSIS BASE ON SITE USES/TENANT NEED:

PARKING DEMAND BASED ON USE AND TIME OF DAY/WEEK:

	WK. MORNING	WK. AFTERNOON	WK. EVENING	WEEKEND
MAIN LEVEL				
COFFEE/CAFÉ	90%	50%	30%	50%
RESTAURANT #1	5%	50%	75%	90%
SECOND LEVEL				
RESTAURANT #2	5%	50%	75%	90%
COMM. KITCHEN	95%	50%	50%	50%
CONDO #201	50%	50%	100%	50%
CONDO #202	50%	50%	100%	50%
THIRD LEVEL				
CONDO #301	50%	50%	100%	50%
CONDO #302	50%	50%	100%	50%
CONDO #303	50%	50%	100%	50%
CONDO #304	50%	50%	100%	50%

ADJUSTED PARKING STALL REQUIREMENT BASED ON USE AND TIME OF WEEK/DAY:

	WK. MORNING	WK. AFTERNOON	WK. EVENING	WEEKEND
MAIN LEVEL				
COFFEE/DELI	11.871	6.595	3.957	6.595
RESTAURANT #1	1.8135	18.135	27.2025	32.643
SECOND LEVEL				
RESTAURANT #2	0.579	5.79	8.685	10.422
COMM. KITCHEN	9.006	4.74	4.74	4.74
CONDO #201	1.125	1.125	2.25	1.125
CONDO #202	1.125	1.125	2.25	1.125
THIRD LEVEL				
CONDO #301	1.125	1.125	2.25	1.125
CONDO #302	1.125	1.125	2.25	1.125
CONDO #303	1.125	1.125	2.25	1.125
CONDO #304	1.125	1.125	2.25	1.125
TOTAL	26.6445	38.635	51.3345	61.15

PARKING SUMMARY W/ REQUESTED MODIFICATIONS:

LSMC REQUIREMENTS FOR THE PROPOSED BUILDING IN THE CBD ZONE IS FOR 76 OFF-STREET STALLS. IF MODIFICATIONS ARE ACCEPTED, THE DEVELOPMENT OFFERS 66 STALLS (26 OFF-STREET, 7 LEASED ON ADJACENT LOT, 14 ON-STREET STALLS, AND 19 SHARED USE STALLS). PARKING DEMAND BASED ON USE AND TIME OF DAY/WEEK SHOWS THE THE GREATEST PARKING NEED BEING ON THE WEEKENDS, WITH A PROJECTED STALL NEED OF 61.15 STALLS.

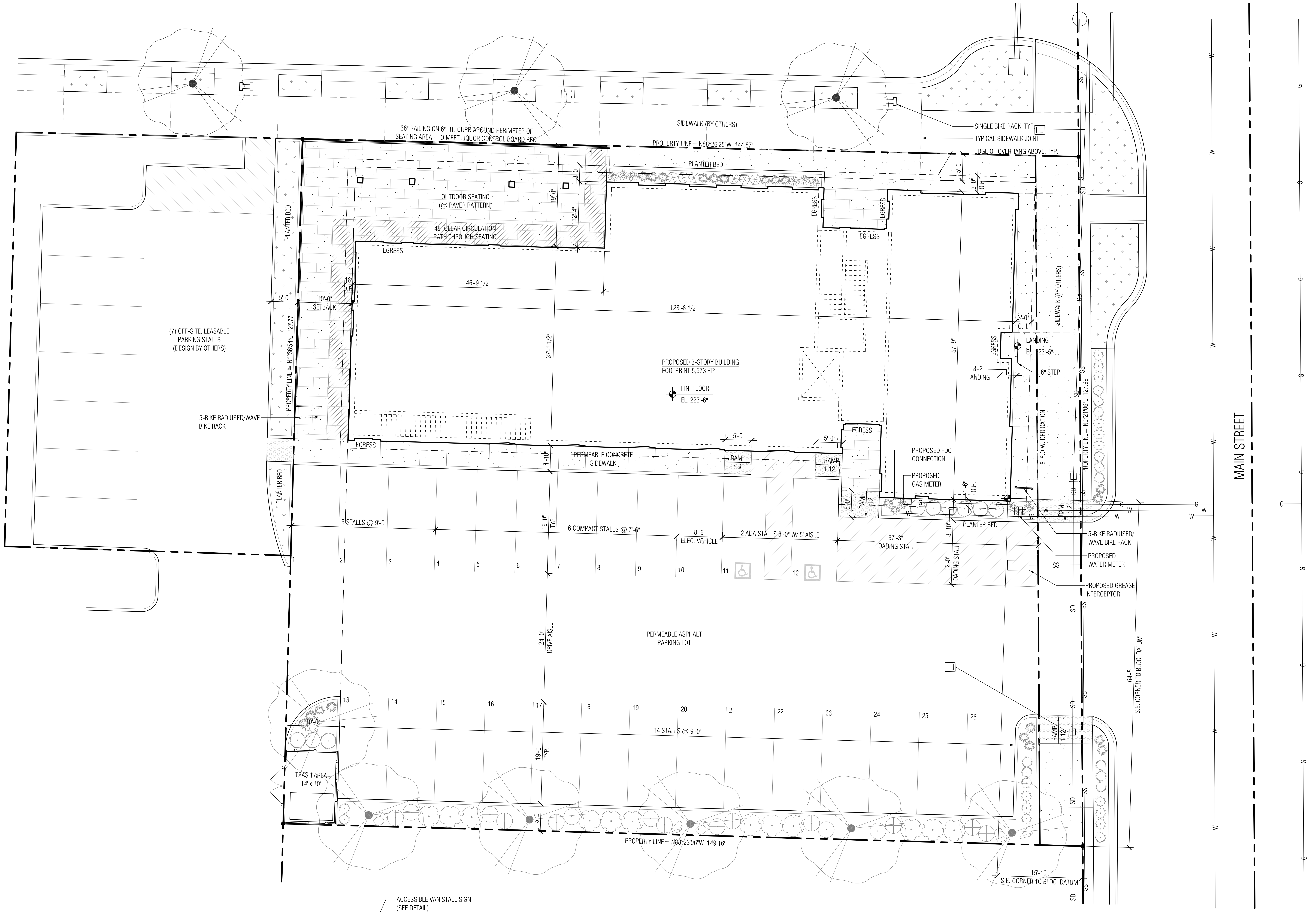
LOADING STALL REQUIREMENT 14.72.100:

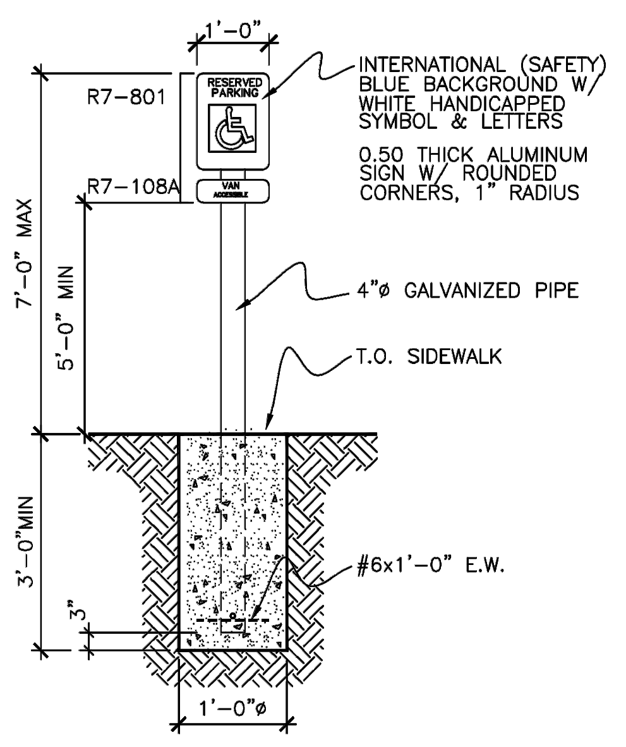
LOADING AREA MUST BE OF SUFFICIENT SIZE TO ACCOMMODATE TYPE OF VEHICLE USED. RESTAURANT USES REQUIRE NO LARGER THAN A STANDARD BOX TRUCK (26' MAX.) PROPOSED LOADING AREA OF 37'-3" PROPOSED TO ACCOMMODATE A VEHICLE OF THIS SIZE, WHICH IS SMALLER THAN THE 55' IN LENGTH REQUIRED.

BICYCLE PARKING FACILITIES 14.72.110:

(a) MULTIFAMILY USES TO HAVE 1 STALL PER DWELLING UNIT
(b) 1 BIKE STALL PER 10 PARKING STALLS AS CALCULATED FOR EACH USE

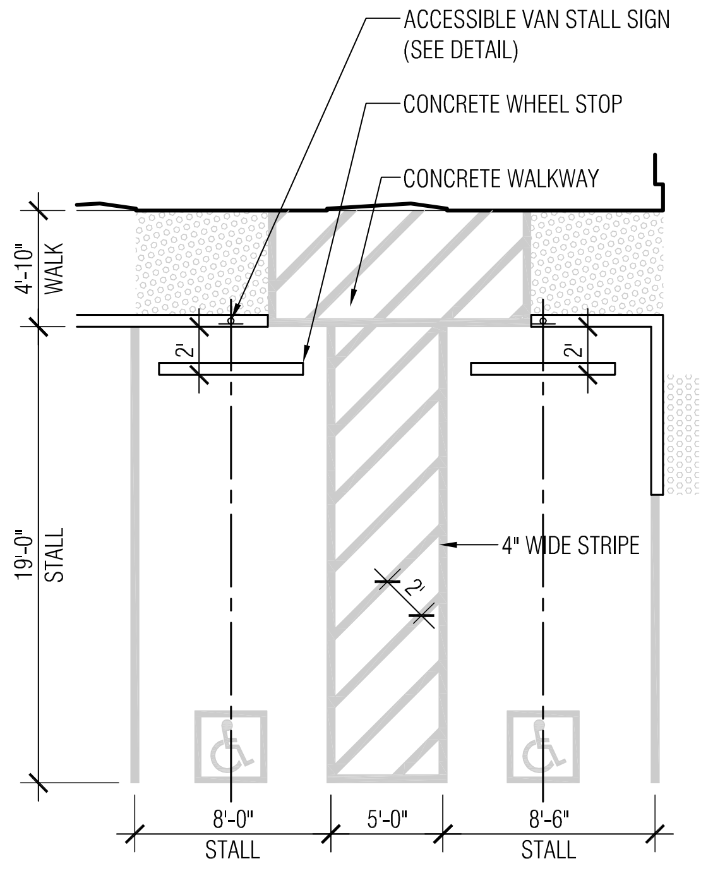
USE/OCC.	PARKING STALLS	BIKE REQUIRE	BIKE STALLS
MAIN LEVEL			
COFFEE/CAFÉ	13.19	1/10	1.32
RESTAURANT #1	36.27	1/10	3.63
SECOND LEVEL			
RESTAURANT #2	11.58	1/10	1.16
COMM. KITCHEN	1.9	1/10	0.19
CONDO #201	*	1	1.00
CONDO #202	*	1	1.00
THIRD LEVEL			
CONDO #301	*	1	1.00
CONDO #302	*	1	1.00
CONDO #303	*	1	1.00
CONDO #304	*	1	1.00
TOTAL STALLS REQUIRED:			**12**
ONSITE STALLS PROVIDED:			10
OFFSITE LOCATED IN FRONTAGE IMPROVEMENT AREA (MILL SPUR):			2
TOTAL PROVIDED/AVAILABLE:			**12**





ADA SIGN DETAIL

SCALE: NTS



ACCESSIBLE PARKING DETAIL

SCALE: 1/8" = 1'-0"

TENANT AREA BREAKDOWN:

MAIN FLOOR LEVEL:	
• COFFEE/DELI:	1,319 FT²
• RESTAURANT KITCHEN:	1,340 FT²
• RESTAURANT INDOOR SEATING:	2,287 FT²
• RESTAURANT OUTDOOR SEATING:	1,106 FT²
SECOND FLOOR LEVEL:	
• RESTAURANT INDOOR SEATING:	1,158 FT²
• RESTAURANT OUTDOOR SEATING:	538 FT²
• COMMERCIAL KITCHEN:	948 FT²
• CONDO #201:	1,345 FT²
• CONDO #202:	1,113 FT²
THIRD FLOOR LEVEL:	
• CONDO #301:	1,345 FT²
• CONDO #302:	1,209 FT²
• CONDO #303:	1,063 FT²
• CONDO #304:	1,646 FT²

GROSS FLOOR AREA:	17,128 FT²
• MAIN FLOOR LEVEL:	5,573 FT²
• SECOND FLOOR LEVEL:	5,640 FT²
• THIRD FLOOR LEVEL:	5,915 FT²
FLOOR AREA RATIO:	91.2%
LOT COVERAGE:	29.7%
PROPOSED LANDSCAPED AREA:	925 FT²
AVERAGE GRADE ELEVATION:	222.52'
• POINT A (SOUTH):	222.12'
• POINT B (EAST):	222.75'
• POINT C (NORTH):	222.75'
• POINT D (WEST):	222.45'
MAX. BUILDING HEIGHT (45'):	267.52'

SITE PLAN

SCALE: 1" = 10'

0 10' 20' 30'

PARCEL #:	00553800003100
ZONED:	CENTRAL BUSINESS DISTRICT
SITE AREA:	18,787 FT²

PROJECT DESCRIPTION:
DEVELOP VACANT PARCEL WITH NEW 3-STORY MIXED USE BUILDING (CONSTRUCTION TYPE V-A) AND ASSOCIATED SITE WORK.

EVERETT

ARCHITECTURE STUDIO OF EVERETT
615 35TH STREET - EVERETT WA 98201
206.931.0990 GARIN@ARCHSTUDIOEVERETT.COM

STAMP:

10942
REGISTERED ARCHITECT
Garin Schenk
GARIN A. SCHENK
STATE OF WASHINGTON
2022.04.20

CONSULTANTS:

PROJECT:

MILL SPUR MIXED-USE
1800 MAIN STREET
LAKE STEVENS, WA 98258

DRAWN: GS
DATE: 2021.03.02
PROJECT #: 2021.06
SCALE: PER DRAWING
PHASE:

DEVELOPMENT AGREEMENT
APRIL 20, 2022

REVISIONS:

NO.:	DATE:	DESCRIPTION:

TITLE:

SITE PLAN

SHEET:

A0.1

EXHIBIT C

Real Estate Purchase and Sale Agreement

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is made by and between Lakeview Flats, LLC, a Washington limited liability company ("Buyer"), and the City of Lake Stevens, a municipal corporation of the State of Washington ("Seller"). Buyer and Seller are designated herein together as "the parties".

In consideration of the mutual covenants, conditions and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer agree as follows:

1. **Effective Date.** This Agreement is effective as of the date of approval by the Lake Stevens City Council ("**Effective Date**"). The City Council shall have thirty (30) days from the execution of this Agreement by Seller and Buyer to approve the Agreement, otherwise Seller's and Buyer's signature shall be non-binding and this Agreement shall have no legal effect.

2. **Property to be Purchased.** Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the real property, together with any improvements thereon, located at 1800 Main Street in Lake Stevens, Snohomish County, Washington described below and depicted in Exhibit A (the "Property").

[Add Legal Description]

Snohomish County Tax Parcel No.: 00553800003100

Street Address: 1800 Main Street

The Property includes the improvements thereupon, if any, and all rights and appurtenances pertaining to the Property, including, but not limited to, all easements, privileges, entitlements, rights of way and appurtenances benefitting the Property; all interest of Seller in any development rights, air rights, water rights, mineral, oil and gas and other subsurface rights; and all right, title, and interest of Seller in and to any streets, alleys, easements, and rights-of-way adjacent to the Property arising out of Seller's fee ownership of the Property .

3. **Purchase Price.** The purchase price for the Property shall be Five Hundred Thousand Dollars and zero cents ($500,000.00). The Purchase Price shall be paid to Seller in U.S. dollars or its equivalent at closing.

4. **Development Agreement.** Nothing herein is intended by the parties to conflict with or to supersede any provision of the Development Agreement between the parties approved by Resolution No. _______ of the Lake Stevens City Council on __________, 2021, recorded with the Snohomish County Auditor under number _________________ ("Development Agreement"). In the event of any conflict between any provision of this Agreement and the Development Agreement, the Development Agreement shall control.

5. **Title to Property.**

5.1 **Conveyance.** On the Closing Date, Seller shall convey to Buyer fee simple title to the Property by a duly executed and acknowledged standard form Statutory Warranty Deed (the "Deed") subject only to the exceptions to title approved or waived by the Buyer as provided for in this Agreement.

5.2 **Title Commitment.** Within seven (7) calendar days following the Buyer's approval of this Agreement, Seller, at its expense, shall furnish to Buyer a preliminary title insurance commitment (the "Commitment") covering the Property, issued by Chicago Title Insurance Company (the "Title Company"), together with copies of all recorded documents listed as special exceptions therein. Buyer shall have thirty (30) calendar days after receipt of the Title Report and exceptions within which to notify Seller in writing of Buyer's disapproval of any exceptions shown in the Title Report; provided, however, Buyer shall not be required to object to any monetary liens or encumbrances. Subject to any monetary liens or encumbrances created by Buyer, Seller shall cause any monetary liens or encumbrances to be removed on or before the Closing. Failure of Buyer to disapprove any exception within the thirty (30) calendar-day period shall be deemed an approval of the exceptions shown in the Title Report. As to any exceptions to title placed of record or first identified after issuance of the Title Report or revealed by any supplemental report, there shall be a thirty (30) day period after Buyer's receipt of the supplemental Title Report for Buyer to review and approve such exceptions on the same basis as provided above and the Closing Date shall be extended by such review period to accommodate such review.

5.3 **Right to Cure Title Defects.** If Buyer disapproves a title exception within the time period provided in Section 5.2, Seller shall have five (5) days following receipt of Buyer's objection to give Buyer written notice specifying which objectionable title exceptions, if any, Seller shall use commercially reasonable efforts to attempt to remove from title on or before the Closing. If Seller gives Buyer such notice, but Seller is unable, despite Seller's commercially reasonable efforts, to remove any such objectionable title defect on or before the Closing, Buyer may elect to either (i) terminate this Agreement, in which event all further rights and obligations of the parties shall cease; or (ii) waive Buyer's previous title objection and proceed with the purchase of and take the Property subject to such exception, without any reduction in the Purchase Price and otherwise pursuant to the terms of this Agreement. If Seller either: (i) gives Buyer timely notice that Seller has elected not to remove all of the objected to title exceptions; or (ii) fails to give notice timely to Buyer, Buyer shall have five (5) calendar days after Buyer's receipt of Seller's notice or the expiration of the five (5) day time period, as applicable, to notify Seller in writing of Buyer's election to (a) proceed with the purchase of and take the Property subject to such previously disapproved exceptions without any reduction in the Purchase Price and otherwise pursuant to the terms of this Agreement; or (b) terminate this Agreement, in which event the parties thereafter shall be relieved of any further rights and obligations under this Agreement. If Buyer shall fail to notify Seller timely of its election to proceed under clause (a) above, Buyer shall be deemed to have elected to terminate this Agreement, in which event the parties thereafter shall be relieved of any further rights and obligations under this Agreement, and each party shall bear its own costs incurred under this Agreement.

5.4 **Title Policy.** The parties shall, at Seller's sole expense, cause Title Company to issue to Buyer at Closing a standard form coverage owner's policy of title insurance insuring Buyer's title to the Property in the full amount of the Purchase Price (the "Title Policy"). Buyer may require that the title insurance policy to be issued to Buyer at Closing be an ALTA extended coverage owner's policy, provided that Buyer shall be responsible for the cost of extend coverage.

6. **Contingency and Permit Periods.** Buyer's obligation to purchase the Property is contingent upon the conditions set forth in this Section 6 being satisfied or waived, in either case in Buyer's sole and absolute discretion, on or before the dates set forth herein. If Buyer determines, in Buyer's sole and absolute discretion, that any of the conditions set forth in this Section 6 will not be satisfied by the date provided herein for the satisfaction of such condition, Buyer may terminate this Agreement on or prior to the applicable date by written notice to Seller. The conditions provided for in this Section 6 shall be deemed not to be satisfied unless Buyer, by the date by which the particular condition is required to be satisfied, notifies Seller in writing that such condition has been satisfied or waived. In the event any condition is deemed not satisfied, this Agreement shall automatically terminate. Upon the termination of this Agreement (either by reason of affirmative action by Buyer or automatically: (a) neither party shall have any further rights or obligations hereunder except for those which are expressly stated to survive the termination of this Agreement.

6.1 **Feasibility Period.** Buyer has had reasonable time and opportunity to determine in Buyer's sole and absolute discretion, that (without limitation) the property, parking plan and location of the Property are acceptable, utilities of adequate capacity exist to serve the Property, construction of the improvements contemplated by Buyer will not require extraordinary, excessive or unusually costly design elements or construction techniques, drainage of both surface and subsurface water can be accomplished by ordinary construction techniques not involving unusual or excessive costs, the Property will satisfy Buyer's financial and competitive objectives in the trade area, and the Property is economically and otherwise feasible for Buyer's intended use. Addition time for feasibility is unnecessary.

6.2 Pursuant to section I.H. of the Development Agreement the lease agreement and option to purchase the property at 1709 123rd Dr. N.E. shall be executed by the Parties at closing.

7. **Closing.** The closing of the transaction contemplated by this Agreement ("Closing") shall take place within a commercially reasonable time after full execution of the Development Agreement, but no later than ______ days thereafter.

7.1 **Real Property Prorations.** All revenues and expenses of the Property, including but not limited to, real property taxes, special assessments, rents, water, sewer and utility charges, and other expenses normal to the ownership, use, operation and maintenance of the Property shall be prorated as of 12:01 a.m. on the Closing Date. Seller and Buyer hereby agree that if any of the aforesaid prorations cannot be calculated accurately on the Closing Date, then the same shall be calculated within thirty (30) days after the Closing Date and either party owing the other party a sum of money based on subsequent prorations(s) shall promptly pay said sum to the other party. If payment is not made within ten (10) days after delivery of a bill therefore, the owing party shall pay interest on such amounts at the rate of eight percent (8%) per annum from the Closing Date to the date of payment.

7.2 **Seller's Escrow Deposits.** On or before the Closing Date, Seller shall deposit into escrow the following:

7.2.1 the duly executed and acknowledged Deed;

7.2.2 a duly executed and completed Real Estate Excise Tax Affidavit;

7.2.3 a duly executed non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended;

7.2.4 a duly executed affidavit in form satisfactory to Title Company for the issuance of the Title Policy without exception for mechanics', materialmen's or other statutory liens, parties in possession and other standard title exceptions; and

7.2.5 all documents and/or funds required to remove all monetary liens, encumbrances or assessments and to pay Seller's closing costs described in Section 7.7.1.

7.2.6 a duly executed lease agreement and agreement for option to purchase for the property at 1709 123rd Dr. N.E. as provided for in the Development Agreement.

7.3 **Buyer's Escrow Deposits.** On or before the Closing Date, Buyer shall deposit into escrow the following:

7.3.1 Cash in an amount sufficient to pay the Purchase Price, plus the Buyer's closing costs described in Section 7.7.2; and

7.3.2 a duly executed and completed Real Estate Excise Tax Affidavit.

8.4.3 a duly executed lease agreement and agreement for option to purchase for the property at 1709 123rd Dr. N.E. as provided for in the Development Agreement.

7.4 **Closing Statement**. A single, combined closing statement setting forth in reasonable detail the financial transaction of Seller and Buyer contemplated by this Agreement, including, without limitation, the Purchase Price, all prorations, the allocation of costs, charges, credits and debits specified herein and the source, application and disbursement of all funds (the "**Closing Statement**").

7.5 **Title Policy**. Title Company shall deliver the Title Policy (or an irrevocable commitment to issue same) to Buyer, in form and substance as required pursuant to Section 5_ hereof.

7.6 **Additional Instruments and Documents.** Seller and Buyer shall each deposit into escrow any other instruments and documents that are reasonably required by the escrow agent or otherwise required to close the escrow and consummate the purchase and sale of the Property in accordance with this Agreement.

7.7 **Closing Costs.**

7.7.1 **Seller's Costs.** At Closing, Seller shall pay (a) the premium for the Title Policy; (b) the real estate excise taxes applicable to the sale, if any; (c) one-half (1/2) of Title Company's escrow fee; and (d) one-half of the cost of recording the Deed.

7.7.2 **Buyer's Costs.** At Closing, Buyer shall pay (a) one-half (1/2) of the cost of recording the Deed; (b) one-half (1/2) of the Title Company's escrow fee; and (c) the premiums for any Title Policy endorsements or extended coverage requested by Buyer.

7.8 **Possession.** At Closing, Seller shall deliver full, sole, vacant and exclusive possession of the Property to Buyer, subject to no tenancies, leasehold interests or other similar possessory interests that have not been previously approved by Buyer.

7.9 **Condition Precedent to Buyer's Obligations.** Buyer's obligation to close the purchase of the Property in accordance with the terms of this Agreement is expressly conditioned on, and subject to satisfaction of the following condition precedent, which is intended solely for the benefit of Buyer. If any of the following conditions are not satisfied, Buyer shall have the right, at its sole election, either to waive the condition and proceed with the purchase or, in the alternative, to pursue any of the remedies set forth in Section 10.1 of this Agreement.

7.9.1 **Performance by Seller.** Seller shall have timely performed all obligations required by this Agreement to be performed by it. If this condition is not satisfied, Buyer shall have the right, at its sole discretion, either to waive the condition in question and proceed with the purchase or in the alternative, to pursue any of the remedies set forth in Section 10.1 of this Agreement.

7.9.2 **Representations and Warranties.** All of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date, and Seller shall have complied with all of Seller's covenants and agreements contained in or made pursuant to this Agreement. If this condition is not satisfied, Buyer shall have the right, at its sole discretion, either to waive the condition in question and proceed with the purchase or in the alternative, to pursue any of the remedies set forth in Section 10.1 of this Agreement.

7.9.3 **Title Policy**. Title Company shall be committed to provide to Buyer, subject only to payment of the premium therefor, the Title Policy insuring that fee title to the Property (and any appurtenant easements) is vested in Buyer subject only to (i) the lien of real property taxes for the current year not yet due and payable (which shall be prorated as of the Closing Date as provided in Section 8.1 hereof), and (ii) the title exceptions that were approved (or waived) by Buyer as provided in this Agreement . Seller shall have satisfied (or shall satisfy at the Closing from the Purchase Price) all monetary encumbrances except for prorated taxes, as required by this Agreement.

7.10 **Condition Precedent to Seller's Obligations.** Seller's obligation to sell the Property at Closing under this Agreement is expressly conditioned on, and subject to satisfaction of the following condition precedent, which is intended solely for the benefit of Seller. If the foregoing conditions are not satisfied, Seller shall have the right, at its sole election, to the remedy set forth in Section 10.2 of this Agreement.

7.10.1 **Performance by Buyer.** Buyer shall have timely performed all obligations required by this Agreement to be performed by it.

7.11 **Development Agreement**. In the event this Agreement is terminated for any reason and the transaction contemplated herein does not close, any development agreement or related document entered into by and between Seller and Buyer will be considered void, and neither Buyer nor Seller will have any obligations to complete any material items contemplated under such development agreement or related documents.

8. **Representations and Warranties.**

8.1 **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that the following facts are true as of the parties' mutual execution of this Agreement and as of the Closing Date:

8.1.1 **No Litigation.** Except as disclosed in writing by Seller to Buyer, there is no pending or threatened litigation or administrative action with respect to the Property or to the Seller's interest in the Property.

8.1.2 **Authority of Seller.** This Agreement is a valid and binding obligation of the Seller, enforceable against Seller in accordance with its terms. No authorizations or approvals, whether of organizational bodies, governmental bodies, or otherwise, will be necessary in order for Seller to enter into this Agreement and to perform Seller's obligations as set forth herein. The consummation of the transactions contemplated hereunder will not conflict with or result in the breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Seller or to the Property.

8.1.3 **Non-foreign Status/At-Source Withholding.** Seller represents and warrants none of the individuals constituting the "Seller" are a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 10954, as amended. Seller shall deliver to Buyer at Closing a Certificate of Non-foreign Status setting forth Seller's address and certifying that it is not a foreign person as so defined.

8.1.4 **Other Agreements.** There are no other contracts or agreements in force or effect for the sale of, or a right of first refusal or option for, all or any portion of the Property, and Seller agrees: (a) not to enter into any such contracts or agreements between the date hereof and Closing and (b) to use its best efforts to terminate any such contracts that come to its attention between the date hereof and Closing. There are no contracts or other agreements affecting the Property that will not be terminated at or prior to Closing.

8.1.5 **Encumbrances.** Seller's execution, delivery and fulfillment of its obligations under this Agreement shall not result in any default or violation of any agreement by which Seller is bound or which will result in any lien, charge or encumbrance on the Property.

8.1.6 **Existing Leases.** There are no existing leases on the Property. There are no management agreements, service contracts or other agreements affecting the Property or the operation or maintenance thereof which will be binding upon Buyer after the Closing. There are no other obligations in connection with the Property, including, without limitation, easements, declarations, use restrictions or other similar agreements, which will be binding upon Buyer after the Closing, except for those matters which have been approved by Buyer.

8.1.7 **Environmental.** Seller has not generated, stored, released or disposed of any substance or material on the Property, the generation, storage or disposal of which is regulated under the Comprehensive Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., the Model Toxics Control Act (Chapter 70.105D RCW), or any comparable law, regulation, ordinance or order of any governmental body, except in compliance with such laws, regulations, ordinance or orders. Seller has obtained (and is in compliance with) all permits, licenses and other authorizations that are required under all federal, state and local environmental requirements customarily known to and followed by owners and operators of land similar to the Property and located in the area in which the Property is located, including any such laws, regulations or ordinances relating to emissions, discharges, releases or threatened releases of materials into the environment or otherwise relating to the use, treatment, storage, disposal, transport or handling of such materials. Neither Seller, nor to the best of Seller's knowledge, any prior owner, occupant or user of the Property has received any notice or other communications concerning any alleged violation of any environmental requirements. To the best of Seller's knowledge, there is not constructed, placed, deposited, stored, disposed of or located on the Property (i) any PCBs or transformers, capacitors, ballasts or other equipment which contains dielectric fluid containing PCBs; or (ii) any underground storage tanks. Any breach of this warranty prior to the Closing Date shall entitle the Buyer to terminate this Agreement. Upon such termination, the escrow will be terminated, all documents and other funds will be returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement except as otherwise provided in this Agreement.

8.1.8 **Completeness of Statements.** To the best of Seller's knowledge, no representation or warranty by Seller in this Agreement or in any written material furnished by Seller to Buyer pursuant to or in connection with this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make any statement herein or therein not misleading.

8.2 **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller that the following facts are true as of the date of the parties' mutual execution of this Agreement and as of the Closing Date:

8.2.1 **Pending Actions.** To Buyer's knowledge, there is no action, suit, arbitration, unsatisfied order or judgment, or proceeding pending against Buyer, which if adversely determined, could materially interfere with Buyer's consummation of the transactions contemplated by this Agreement.

8.2.2 **Authority of Buyer.** Buyer is a corporation in good standing, duly formed and validly existing under the laws of the State of Washington.

Buyer has the authority and power to enter into this Agreement and to consummate the transaction provided for herein. This Agreement and all other documents executed and delivered by Buyer constitute legal, valid, binding and enforceable obligations of Buyer, and there are no claims or defenses, personal or otherwise, or offsets whatsoever to the enforceability or validity of this Agreement. The person executing this Agreement on behalf of Buyer has been duly authorized to do so.

8.2.3 **Terrorism Laws**. Buyer is not, and shall not become, a person or entity with whom Seller is restricted from doing business under any of the Terrorism Laws.

9. **Maintenance of Property Pending Closing.** At all times before the Closing, Seller shall manage and operate the Property in a manner consistent with Seller's past practices. Seller agrees: (a) to maintain all usual and necessary business records pertaining to the Property, consistent with Seller's past practices; (b) to maintain the Property in its current condition and state of repair (normal wear and tear and casualty loss excepted); and (c) to maintain its existing property and casualty insurance on the Property

10. **Default.**

10.1 **By Seller.** If there is an event of default under this Agreement by Seller, including, without limitation, the failure by Seller to satisfy any condition precedent pursuant to Sections 7.9, Buyer will be entitled, at Buyer's sole discretion, (a) to seek specific performance of Seller's obligations under this Agreement; (b) to terminate this Agreement by written notice to Seller and Escrow Agent; and (c) if Buyer elects either option (a) or (b), as hereinbefore set forth, Buyer may obtain payment from Seller of all damages incurred by Buyer as a result of such default. If Buyer terminates this Agreement pursuant to this Section 10.1 the escrow will be terminated all documents will be immediately returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided in this Agreement other than that Seller shall pay (i) to Buyer those costs and expenses which Buyer notifies Seller that Buyer has incurred in connection with this Agreement; (ii) all damages incurred by Buyer; and (iii) any costs of terminating the escrow and any cancellation fee for the Commitment.

10.2 **By Buyer.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property within a commercially reasonable period of time as provided in section 8.1 Closing, then Seller will be entitled (a) to seek specific performance of Buyer's obligations under this Agreement and paragraph 8. of the Development Agreement; (b) to terminate this Agreement by written notice to Buyer's and Escrow Agent; and (c) if Seller elects either option (a) or (b), as hereinbefore set forth, Seller may obtain payment from Buyer of all damages incurred by Seller as a result of such default. If Seller terminates this Agreement pursuant to this Section 10.1 the escrow will be terminated, all documents will be immediately returned to the party who deposited them, and neither party will have any further rights or obligations under this Agreement, except as otherwise provided in this Agreement other than that Seller shall pay (i) to Buyer those costs and expenses which Buyer notifies Seller that Buyer has incurred in connection with this Agreement; (ii) all damages incurred by Buyer; and (iii) any costs of terminating the escrow and any cancellation fee for the Commitment.

11. **Miscellaneous.**

11.1 **Seller's Disclosure Statement.** No later than ten (10) days following Buyer's execution of this Agreement, Seller shall deliver to Buyer a seller's disclosure statement pursuant to RCW 64.06.

11.2 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors, and assigns. No assignment of this Agreement by Buyer shall operate to relieve Buyer from any of its liabilities under this Agreement.

11.3 **Notices.** Any notice under this Agreement must be in writing and be personally delivered, delivered by recognized overnight courier service or given by mail or via facsimile. Any notice given by mail must be sent, postage prepaid, by first class, certified or registered mail, return receipt requested. All notices must be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

If to Seller, to:
City of Lake Stevens
Attn: City Administrator
1812 Main Street
PO Box 257
Lake Stevens, WA 98258-0257
Phone: 425-377-3230

With a copy to:
Greg A. Rubstello
Ogden Murphy Wallace, P.L.L.C.
901 Fifth Avenue, Suite 3500
Seattle, WA. 98164
Phone: (206) 447-7206
Email: grubstello@omwlaw.com

If to Buyer, to:
Lakeview Flats, LLC
Attn: Brian Lewandowski
Manager
Issaquah, WA 98027
Phone: (425) 313-6549
Email: bcoffey@costco.com

With a copy to:
Adams & Duncan, Inc., P.C.
3128 Colby Avenue
Everett, WA 98201
Phone: (425) 740-3302
Email: ChrisAdams@adamslawyers.com

Any notice will be deemed to have been given, if personally delivered, when delivered, and if delivered by courier service, one (1) business day after deposit with the courier service, and if mailed, two (2) business days after deposit at any post office in the United States of America, and if delivered via facsimile, the same day as transmission is verified; provided that any verification that occurs after 5 p.m. on a business day, or at any time on a Saturday, Sunday or holiday, will be deemed to have occurred as of 9 a.m. on the following business day.

11.4 **Authority.** The parties each represent and warrant that the persons signing below have the requisite authority to bind them.

11.5 **Amendments.** This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

11.6 **Governing Law; Venue.** This Agreement will be governed by and construed exclusively in accordance with the laws of the State of Washington. Venue for any action arising out of this Agreement shall be in Snohomish County Superior Court.

11.7 **Entire Agreement.** This Agreement and the exhibit hereto constitute the entire agreement between the parties with respect to the purchase and sale of the Property and supersede all prior agreements and understandings between the parties relating to the subject matter of this Agreement.

11.8 **Attorneys' Fees.** In the event either party hereto finds it necessary to bring an action at law or other proceeding against the other party to enforce any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement, or by reason of any breach or default hereunder or thereunder, the party prevailing in any such action or proceeding shall be paid all costs and reasonable attorneys' fees by the other party and in the event any judgment is secured by such prevailing party, all such costs and attorneys' fees shall be included in any such judgment. The reasonableness of such costs and attorneys' fees shall be determined by the court and not a jury.

11.9 **Time of the Essence.** Time is of the essence of this Agreement.

11.10 **Waiver.** Neither Seller's nor Buyer's waiver of the breach of any covenant under this Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

11.11 **Negotiation and Construction.** This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party.

11.12 **Tax Effect.** No party has made or is making any representations to the other concerning any of the tax effects of the transactions provided for in this Agreement. No party shall be liable for or in any way responsible to any other party because of any tax effect resulting from the transactions provided for in this Agreement.

11.13 **Representation.** It is agreed and acknowledged that the firm of Ogden Murphy Wallace P.L.L.C. represented only the Seller in the drafting of this Agreement, and Buyer acknowledges that it is entitled to seek separate legal counsel regarding this Agreement.

11.14 **Survival.** All of the representations, warranties and covenants of Seller and Buyer contained in this Agreement shall be true and correct as of the Effective Date and shall, as a condition to Closing, be true and correct in all material respects as of the Closing Date. The parties' rights to enforce such representations, warranties and covenants shall survive for a period of two (2) years following the Closing and such rights to enforce shall not be merged into any documents delivered at the Closing. It is expressly agreed and understood that no examination or investigation of the Property by or on behalf of Buyer prior to the Closing shall in any way modify, affect or diminish Seller's obligations under the representations, warranties, covenants and agreements contained in this Agreement.

11.15 **Counterparts; Scanned or Facsimile Signatures.** This Agreement may be executed in any number of counterparts, and all counterparts shall be deemed to constitute a single agreement. The execution and delivery of one counterpart by any party shall have the same force and effect as if the party had signed all other counterparts. Delivery by facsimile or by e-mail of a .PDF of an executed counterpart shall have the same effect as physical delivery of an original.

11.16 **Brokers and Commissions.** There are no brokers involved in this transaction. Neither party is obligated to pay a commission as a result of the sale of the Property contemplated herein.

(*signatures continue on following page*)

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the last date set forth below.

BUYER:

LAKEVIEW FLATS, LLC

By:____________________________ Date: ____________________
Name __________________________
Title ___________________________

SELLER:

CITY OF LAKE STEVENS (following City Council approval and authorization for Mayor to sign.)

By: __________________________________ Date: ____________________
Mayor

Attest:

By: __________________________________ Date: ____________________
City Clerk

Approved as to Form:

City Attorney

By: _________________________________ Date: ____________________

EXHIBIT D

Letter of Interest

February 1, 2021

Westrock Construction LLC
5418 123rd Ave NE
Lake Stevens, WA 98258

RE: Cover Letter to LOI to purchase parcel C 1800 Main Street

Thank you for your time in assisting us to gather details and put this opportunity together.

Please find attached our letter of Intent. In the foreseeable future we can enter into a formal development agreement, as desired by us and the city. This will serve to let us move, together, through the details of the frontage improvements, street improvements, utility needs, zoning requirements, parking requirements, etc.

Our vision for this property is aligned with that of the city. We are intending to build a multi-use building at the corner of Main and soon to be Mill Spur Rd. The building will have at least two frontages, if not 3. One on main, one on Mill Spur, and most likely a partial frontage towards the lake. The Building will be of modern architecture and design such as depicted in the city's visual aids. This will keep with modern building trends, and blend with the current theme of the new Mill building and adjacent park.

Due to its location this building will be thoughtfully and carefully designed and constructed. This is due in part to it being front and center to all the downtown lake stevens activities.

The downstairs level of the building will consist of retail/restaurants. This will form a natural place of gathering for patrons of the city. We will create as much outdoor seating as can be allowed.

The second floor is proposed to be professional space.

The third floor is slated to be 3 high-end condos, this is intended to make accessible lake-front living to those who do not particularly want to buy or maintain a waterfront home. An interesting idea could be for the city to sell or lease a moorage space to these occupants, once additional dock parking has been added.

Our ownership group is interested in owning this building long term and working with the city for years to come. The building will not be built, and then sold to the highest bidder. We are local and have a vested interest in the outcome of this development.

The main access will be as depicted on the city's renderings. Either from Main street or the boat launch parking area, or both. This way there will be no significant effects when Mill Spur Rd gets closed for city events.

We will also attempt to design the build for future expansion. It is unknown how the adjacent church will proceed over the months or years to come, but its future development feels inevitable, and we should try and incorporate that parcel into the long-term plan for the downtown area.

Timeline – It is likely that the planning and development of this project would take the majority of 2021. We would then plan to break ground in early 2022. Setting us up for prime building weather in the spring. The project would take approx. 10-12 months to complete.

Thank you again for your time and consideration.

Sincerely,

The Westrock Team

LETTER OF INTENT

February 1, 2021

Westrock Construction LLC
5418 123rd Ave NE
Lake Stevens, WA 98258

Re: Letter of Intent for Developmental Diligence, Purchase, and Development of the property located at 1800 Main Street, Lake Stevens, Washington.

Dear Mayor and City Council,

This Letter of Intent (hereinafter "LOI") sets forth certain non-binding provisions and certain binding provisions between the City of Lake Stevens ("Seller" or "City") and Westrock Construction LLC ("Developer") with respect to the possible acquisition and development of certain real property commonly known as 1800 Main Street, Lake Stevens, Washington ("Subject Property").

Subject to the negotiation and execution of a definitive and mutually acceptable agreements of purchase and sale ("Purchase and Development Agreement") and subject to the terms and conditions as outlined in this LOI within the time frame expressed in Section 7, 8, and 9 after execution of this LOI (the "Contract Negotiation Period"), the undersigned offers to perform diligence and desires to purchase and develop the Subject Property in accordance with the following terms and conditions.

NON-BINDING PROVISIONS

1. Purpose. All parties agree to proceed in accordance with the terms and conditions outlined in this LOI. City understands that the purpose of this LOI is to allow further investigation by both parties into the feasibility of entering into a formal agreement. The terms contained herein are intended to provide the parties with a basis for cooperating and for guiding their negotiations in furtherance of entering into a legally binding agreement. If the Purchase Agreement and Development Agreement are not mutually executed within the stated timeframe for any reason, this LOI shall expire and no party shall have any further rights or duties hereunder.

2. Proposed Transaction. On the terms and subject to the negotiation and execution of the Purchase Agreement and Development Agreement, Developer would purchase the Subject Property from the City for the purpose of developing a multi-use

building upon the Subject Property. Developer desires to incorporate into its design of the multiuse building, pursuant to Section 6, the following characteristics:

- Mixed-Use with active first-floor use
- Complements vision for downtown Lake Stevens;
- Contemporary Northwest Style;
- Mix of materials such as wood, stone, masonry, and metal;
- Distinctive rooflines;
- Large mullioned windows; and
- Outdoor plaza and seating areas.

3. Purchase Price. Developer would purchase the Subject Property for Five Hundred Thousand and No/100 Dollars ($500,000).

4. Earnest Money. To be determined based upon the terms of the Purchase Agreement and Development Agreement.

5. Parties:

City:	**Developer**:
City of Lake Stevens	Westrock Construction LLC
__________________	5418 123rd Ave NE
__________________	Lake Stevens, WA 98528

6. Initial Inspection Period. This LOI hereby provides for an "Initial Inspection Period" of Ninety (90) days from the date of execution and further provide for two (2) thirty (30) day extensions (respectively the "First Extension Period," and the "Second Extension Period") at the mutual option of City and Developer, if needed, during which periods Developer shall investigate, inspect and study the Subject Property to determine if all aspects of the Subject Property are acceptable to Developer, in its sole and absolute discretion (the "Due Diligence Period"). Developer may, at Developer's sole risk and expense, access the Subject Property to perform preliminary due diligence activities following the execution of this LOI and give the City at least 3 business days' notice of the date it intends to enter the Subject Property to make any inspections. The Developer shall provide no less than monthly updates to the City. Monthly updates shall include all activities associated with marketing the property including uses, franchises and users

contacted, marketing material, issues and/or concerns being raised by potential uses and other relevant material related to the development of the site including limitations expressed by potential users. Upon completion of the initial inspection period, the Developer shall present a "Proposed Development Plan" with any modifications that Developer proposes may be necessary, to the City for City's approval or rejection in the City's sole discretion. If the City approves the "Proposed Development Plan", it shall hereinafter be the "Development Plan". If the City rejects the approval, Developer and City may use thirty (30) days to attempt to resolve their differences. If the differences are not resolved within the thirty (30) days, or any mutually agreed extension, this LOI shall terminate without liability from either party to the other.

7. Due Diligence Period. If the City approves the Development Plan pursuant to Section 8, the parties shall proceed to the "Due Diligence Period." During the Due Diligence Period, at Developer's request and at Developer's expense, City shall cooperate in achieving any necessary governmental approvals for Developer's intended use of the Subject Property. Zoning consideration shall not occur until the project has met full design requirements and preliminary engineering requirements. Submission of zoning shall include proper application as required by applicable zoning ordinances. The Due Diligence Period shall be one hundred twenty (120) days from inception.

8. Terms of Purchase. Through the completion of the Due Diligence period, if the project is mutually agreeable to the Developer and City, a Purchase Agreement and Development Agreement may be entered into between the Developer and the City establishing a purchase price pursuant to Section 3. The Purchase Agreement and or a Development Agreement shall include performance benchmarks for final zoning and subdivision actions and any necessary development agreement. The Purchase Agreement and or Development Agreement by and between City and Developer shall be consistent with the terms outlined in this LOI and such other terms and conditions as are customary and as the parties may mutually agree on, provided however, unless otherwise agreed to in the Purchase Agreement and or Development Agreement, shall not modify or alter the terms contained herein. Developer will also purchase all of City's rights, title and interest in all of the maps, reports, plans, and other such material is having to do with the Subject Property including all land use entitlements, governmental permits and allocations, and other such governmental and agency approvals as may exist concerning the Subject Property. Developer may assign any Purchase Agreement or Redevelopment Agreement subject to the reasonable acceptance of the City.

9. Expiration of Offer. If City has not executed this document and returned it to Developer within fifteen (15) days from the date of execution, this LOI shall be considered null and void, provided that Developer has not agreed in writing to extend the date for City's acceptance.

10. Commission. City would pay all commissions due with respect to the sale of the Subject Property at closing pursuant to a separate agreement. Developer shall not be entitled to commissions unless they are provided for in the Purchase or Development Agreement.

11. Authorized Signatory. It is hereby warranted that the individual signing this LOI on behalf of City or Developer is authorized to sign on behalf of such party and to enter into this LOI. This LOI may be executed in one or more counterparts, all of which shall constitute and be deemed an original, but all of which together shall constitute one and the same instrument.

BINDING PROVISIONS

A. Exclusivity. Until the Purchase Agreement and Development Agreement have been duly executed and delivered by all the parties or until the Binding Provisions have been terminated pursuant to Paragraph B below, whichever occurs sooner: (i) City will not enter into any negotiations, discussions, agreements or understandings for the purpose of selling or exchanging the Subject Property to any other person or entity; and (ii) City agrees to take the Subject Property off the market and that it will not furnish any information concerning the Subject Property to any other person or entity for the purpose, in whole or in part, of considering an offer with respect to the purchase of the Subject Property.

B. Termination: The Binding Provisions of this LOI may be terminated: (i) at any time by mutual written consent of City and Developer; or (ii) upon written notice by any party to the other party if the Purchase Agreement and Development Agreement have not been executed and delivered by all parties by March 31, 2021; provided, however, that the termination of the Binding Provisions shall not affect the liability of a party for breach of any of the Binding Provisions prior to the termination. Upon termination of the Binding Provisions, the parties shall have no further obligations hereunder.

C. Fees and Costs. In the event of a breach of this LOI by a party, the successful party in any proceeding to enforce the terms shall be entitled to recover costs and attorney fees.

DEVELOPER:

____________________________ Dated:______________
By:
Its:

CITY:

____________________________ Dated:______________
By:
Its:

Our Team

Brian Lewandowski

Investor, Owner – Westrock Construction

Brian has been a local business owner for the last decade. He owns a residential construction company, is a majority owner of Westrock Construction and owns a local roofing company. He shines in his ability to manage and assemble a successful team. He has been a member of the Lake Stevens Chamber of Commerce for the last 3 years and enjoys being a part of the community and giving back to local organizations like the Lake Stevens Food Bank, and the Everett Family YMCA, where he also assists his wife Amy who is currently the chair for their annual campaign.

Christopher D. Adams

Attorney/Consultant/Investor:

Managing Partner of Adams & Duncan Law Firm

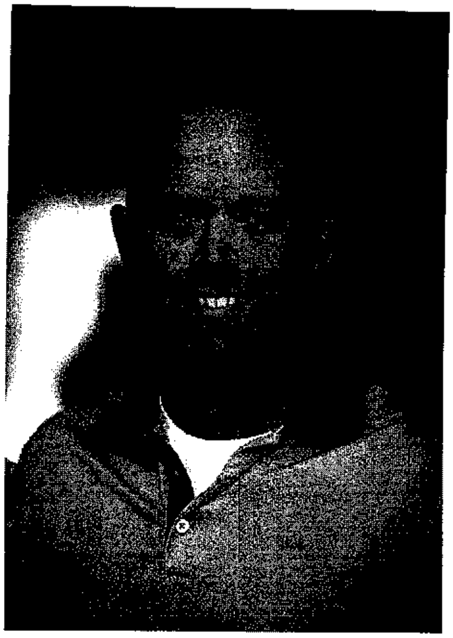
Christopher D. Adams is an attorney located in Everett, Washington practicing in the areas of corporate law, commercial real estate and banking. His commercial real estate experience includes large transactions, land use, and environmental contamination. Mr. Adams is currently the Chairman of Coastal Community Bank and his banking experience includes helping to structure commercial real estate loans, mezzanine debt, capital call lines, and interest rate swaps. In addition to his law degree (JD), Mr. Adams holds a Masters in Business Administration (MBA) and Masters in Tax Law (LLM).

As an active resident of the Snohomish County community, Mr. Adams grew up in Lake Stevens and graduated from Lake Stevens High School. Mr. Adams currently serves as the Chair of the Community Board of Providence Hospital (Everett), and he provides regular pro bono legal services to many local nonprofit organizations, including in Lake Stevens.

Jon Gebow

Investor, Owner – Westrock Construction:

Jon worked for Sierra Construction gleaming over 20 years of commercial construction expertise before starting his own company and becoming an owner of Westrock Construction. See attached Bio for experience reference.



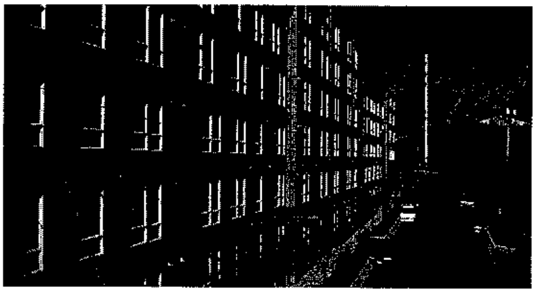
JON GEBOW | SUPERINTENDENT

Jon has been a Sierra employee since 1989. Starting as a carpenter in the field, he worked his way to Superintendent in 2006. With over a decade of experience in the field on a variety of projects, Jon has a strong understanding of challenges that may arise and their solutions. Jon excels in leadership roles as well as managing project schedules. His positive, hardworking attitude with a continued passion for construction outside of the professional industry makes him an asset to any project.

SELECTED PROJECT EXPERIENCE

Linden Flats - Seattle, WA

Breaking ground in November of 2016, the Linden Flats apartment building was completed June of 2018. The owner of the project, GMD Development, specializes in affordable housing and this project falls into that category. Located in North Seattle just East of Bitter Lake, the newly constructed seven-story Linden Flats apartment building has 170 affordable units. Income-qualified residents can experience an amenity rich, modern community close to community transit, minutes to Seattle. Linden Flats offers 1, 2 and 3 bedroom units. Each unit features large, energy efficient windows, in-unit washer and dryer, radiant heating, modern cabinets and quartz countertops. Carpeted bedrooms and wide plank wood vinyl flooring finish off units with a cosmopolitan style. Amenities include a game room, community room, bike storage room, garage parking, on-site storage and fitness center. The building's C-shaped structure surrounds the outdoor central courtyard which includes gas BBQ grills, outdoor dining, lounge area with fire pit, and a turf lawn for year-round use. A pet friendly apartment building, Linden Flats also offers a wash room for pets and bicycles alike. Unique features to the building itself include a solar-thermal preheating system for domestic water. Additionally, Linden Flats also utilizes a photo-voltaic system for common amenity power consumption.

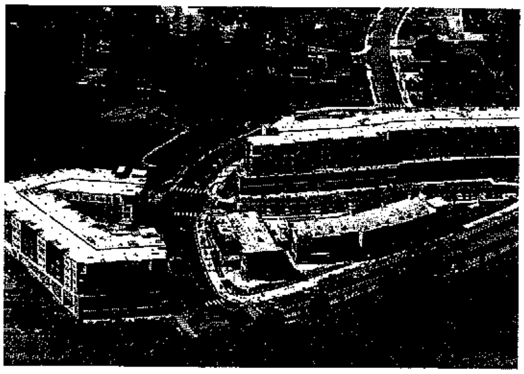


JON GEBOW

SUPERINTENDENT

Uptown 11 - Seattle, WA
This Queen Anne mixed use project is a three story, 42,700 square foot building with ground level retail and upper floor residential units. The two and a half level underground parking garage has 65 stalls. A total of 34 residential units ranging from studio to two bedroom spaces span the top two floors, some offering a private balcony. Uptown has a 9,500 green with 2,145 square feet of roof deck amenity space. The ground level retail space's main tenant (CVS Pharmacy) occupies 16,000 square foot space, and an additional micro-retail space is 170 square feet. Delivery loading considerations were taken, which required the design to accommodate a pre-existing alley that separates the project from Tribeca Condos. Finishes include glass awnings, mural panels louvers and cement board.

Village at Beardslee Crossing (Phases 1A, 2A & 2B) - Bothell, WA
This multi-phased project consisted of the construction of 300 residential units, with ground level retail designed around a brewery and distillery anchor tenant. Phase 1A consisted of the construction of a 231,799 square foot apartment building with two levels of underground parking, ground level retail space and four levels of wood-framed residential apartments with 146 market rate apartments include Additional amenities include a fitness center, a club room and an outdoor patio with covered seating areas.



Phase 2B added 158 market rate apartment units in an additional building with 12,564 square feet of retail space at ground level. Between the two buildings, residential units included studio, one and two bedroom units ranging in size from 514 square feet to 1,189 square feet. Amenities within the buildings include common area kitchen, leasing offices, fitness rooms, three (3) hydraulic elevators, a fitness center, a club room and an outdoor patio with covered seating areas.

Phase 2B consisted of approximately 36,510 square feet of retail and restaurant space (20,005 North building retail and 16,505 square feet of restaurant, brewery and distillery).

Tamarack Distribution Center - Sumner, WA
n May, 2015 Sierra successfully completed construction of a 159,250 SF speculative concrete tilt-up project for Sumner Tamarack, LLC (Panattoni Development) in Sumner, WA. This building sits on a 7 acre site and was designed and constructed as a LEED Certified building. Construction of the building and related site work started in November, 2014 and was turned over for tenant use in May, 2015.

EXHIBIT E

Lease Agreement (Parking Lot Property)

Lease Agreement (Parking Lot Property)

IN CONSIDERATION of the Lessee's purchase of real property at 1800 Main Street, Lake Stevens, Washington and execution of a Development Agreement with the Lessor for the commercial development of said real property and the covenants hereinafter set forth, the CITY OF LAKE STEVENS, Washington, a Washington municipal corporation ("Lessor") hereby leases to LAKEVIEW FLATS, LLC, a Washington limited liability company ("Lessee"), and Lessee hereby leases from Lessor, the following described leased Premises on the terms and conditions set forth in this Lease Agreement, hereinafter referred to as "the Lease".

FUNDAMENTAL LEASE PROVISIONS

DATE OF LEASE: _____________ __, 2022

PREMISES: The leased Premises identified in attached Exhibit A and designated for a parking lot in the Festival Street Record of Survey for Boundary Line Adjustment drawing ("Adjusted Parcel W") attached as Exhibit B hereto located at 1709 123rd Dr. N.E., City of Lake Stevens, Snohomish County, State of Washington.

LESSOR: City of Lake Stevens, a Washington municipal corporation

LESSEE: LAKEVIEW FLATS, LLC, a Washington limited liability company

LEASE COMMENCEMENT: _____________ __, 2022

TERM: This lease agreement shall commence on date of this lease and continue until December 31, 2031, unless earlier terminated under the provisions of this lease agreement. Provided, however, if the Option to Purchase (Section 12) is exercised the lease term shall be extended as necessary through closing of the purchase of the leased Premises by Lessee.

LESSEE EXPENSES: Lessee shall be responsible for payment of all utilities serving the leased Premises and to pay all costs and expenses of maintenance, repair, and construction of any improvements made to the leased Premises. Lessee shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Lessee's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Lessee to pay any state required leasehold excise tax on base rent and for the expenses of operation, maintenance, and improvements to the leased property. Leasehold excise tax applies to possession and use of the leased premise per RCW 62.29A and WAC 458-29A. The current leasehold tax of $128.08 per month is calculated at 12.84% of the base monthly rent and shall be paid as an additional payment with the Base Rent. The leasehold excise tax will increase with increases in base rent and/or changes are made to the underlying state statute and/or administrative regulations. Lessor shall timely notify Lessee of increases in the amount of monthly leasehold tax payment due.

DATE OF POSSESSION: At Lease Commencement

MONTHLY RENT: The Lessee shall pay a monthly market-based rent for the leased Premises based upon the current raw land undeveloped condition of the premises. The initial monthly rent payment of $760.00, is due at the signing of this Lease pro-rated based on the number of days left in the month. Monthly rent payments shall be due thereafter on or before the first (1) day of each month; PROVIDED, in any month in which the City uses the leased Premises for a public event the monthly rent pay shall be reduced by $25.00 per day of City usage Any installment of Rent or other sums due Lessor not received by Lessor within Five (5) days of the due date for the payment shall constitute a late payment. A late payment charge of fifty ($50.00) Dollars shall be assessed. Acceptance of any such late charge by Lessor shall not constitute a waiver of Lessee's default with respect to such overdue amount.

The base monthly rent shall be increased on the first day of January 2023 and on the first day of each year thereafter (each, an "Adjustment Date"). The increase shall be determined in accordance with the increase in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U) for Seattle-Tacoma-Bellevue metro area. The base monthly rent payable immediately prior to the applicable Adjustment Date shall be increased by the percentage that the Index published for the date nearest preceding the applicable Adjustment Date has increased over the Index published for the date nearest preceding the first day of the Lease Year from which the adjustment is being measured. Upon the calculation of each increase, Lessor shall notify Lessee of the new base monthly rent payable hereunder. Within twenty (20) days of the date of the date of Lessor's notice, Lessee shall pay to Lessor the amount of any deficiency in base rent paid by Lessee for the period following the subject Adjustment Date and shall thereafter pay the increased base rent until receiving the next notice of increase from Lessor. If the components of the Index are materially changed or if the Index is discontinued during the lease term, Lessor shall notify Lessee of a substitute published index which, in Lessor's reasonable discretion, approximates the Index, and shall use the substitute index to make subsequent adjustments in base monthly rent. In no event shall base monthly rent for the lease term be decreased pursuant to this paragraph.

GENERAL PROVISIONS:

1. Use: Lessee shall have the right to use the Premises only for the purpose of a Parking Lot for parking to meet the parking requirements of Ch. 14.72 LSMC for the Westrock Commercial Development at 1800 Main Street as set forth in the Development Agreement between the Parties in Recital H., including shared use rights by the City for up to four (4) public events per year for staging and parking and for no other purpose.

2. Assignment and Subletting: This lease is specific to the Lessee and Lessee shall not have the right to assign, mortgage, or hypothecate this Lease or permit use of the Premises by any person(s) entity or sublet all or any part of the Premises without Lessor's prior written consent. Lessor's written consent shall not be unreasonably withheld, but consistent with paragraph 1 above. Assignment shall include mergers, consolidation, or liquidation. Any assignment by Lessee shall not release Lessee from its primary liability under this Lease. This lease shall not be assignable by operation of law.

3. Conduct of Business: Lessee shall promptly comply with all laws, ordinances, orders, and regulations affecting the leased Premises and the improved parking area in which the same are situated. Lessee shall not perform any acts or carry on any practices that be a menace or nuisance to other persons or businesses in the area or disturb the quiet enjoyment of any person. Lessee shall not commit or allow to be committed any waste in or upon the Premises or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose.

4. Indemnification / Hold Harmless: Lessee shall defend, indemnify, and hold harmless the Lessor , its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Lessee's use of Premises, or from the conduct of Lessee's business, or from any activity, work or thing done, permitted, or suffered by Lessee in or about the Premises, except only such injury or damage as shall have been occasioned by the sole negligence of the Lessor. It is further specifically and expressly understood that the indemnification provided herein constitutes the Lessee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated and agreed to by the Lessee and Public Entity. The provisions of this section shall survive the expiration or termination of this Lease.

5. Insurance Requirements:

   A. Insurance Term. The Lessee shall procure and maintain for the duration of the Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

   B. No Limitation. The Lessee's maintenance of insurances as required by the Lease shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Lessor's recourse to any remedy available at law or in equity.

   C. Minimum Scope of Insurance. The Lessee shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Lessor shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.

2. Property insurance shall be written on an all-risk basis.

D. Minimum amounts of Insurance. The Lessee shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than $2,000,000 each occurrence, $2,000,000 general aggregate.
2. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

E. Other Insurance Provisions. The Lessee's Commercial General Liability insurance policy or policies are to contain or be endorsed to contain that they shall be primary insurance as respect the Lessor. Any insurance, self-insurance, or self-insured pool coverage maintained by the Lessor shall be excess of the Lessee's insurance and shall not contribute with it.

F. Acceptability of Insurers. Insurance is to be placed with insurers with A.M. Best rating of not less than A: VII.

G. Verification of Coverage. The Lessee shall furnish the Lessor with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee.

H. Waiver of Subrogation. Lessee and Lessor hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the Premises. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

I. Notice of Cancellation. The Lessee shall provide the Public Entity with written notice of any policy cancellation within two business days of their receipt of such notice.

J. Failure to Maintain Insurance. Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of lease, upon which the City may, after giving five business days' notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Lessor on demand.

K. Public Entity Full Availability of Lessee Limits. If the Lessee maintains higher insurance limits than the minimums shown above, the Lessor shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this Lease or whether any certificate of insurance furnished to the Lessor evidences limits of liability lower than those maintained by the Lessee.

6. Care and Surrender of Premises: Lessee has examined the Premises and accepts them in their present condition and will at all times through surrender of the Premises at the end of the Lease term keep the Premises in a safe, neat, clean and sanitary condition.

7. Mechanic's Liens: Lessee agrees to keep all of the leased Premises and every part thereof free and clear from any and all mechanic's, materialman's and other liens for work or labor done, services performed, materials, appliances, transportation or power contributed, used or furnished to be used in or about the leased Premises to or on the order of Lessee, and at all times Lessee shall promptly and fully pay and discharge any and all claims upon which any such lien may or could be based. No liens of any character whatsoever created or suffered by Lessee shall in any way, or to any extent, affect the interest or rights of Lessor in any improvements on or about the leased Premises, or attached to or affect Lessor's title to or rights in the leased Premises.

8. Default: If Lessee shall default in the payment of any rent or charge or sum of money due and such default shall continue for a period of FIVE (5) days after written notice thereof from Lessor, or if Lessee shall default in the performance or observance of any other term, covenant, agreement or obligation of this Lease to be performed or observed by Lessee, and such default shall continue for a period of TEN (10) days after written notice thereof by Lessor, then Lessor shall have, in addition to any other remedies available at law, without further notice to Lessee, and without barring later election of any other remedy, any one or more of the following remedies at Lessor's election:

8.1 Lessor may require strict performance of all the terms, covenants, agreements and obligation, hereof, as the same shall accrue, and have the right of action therefore: or

8.2 By written notice to Lessee, Lessor may declare this Lease at an end, reenter the leased Premises by process of law, eject all parties in possession thereof there from, in which event Lessor shall have the right to recover from Lessee all damages it may incur by reason of such default.

8.3 All rights and remedies of Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law, or equity. Lessor and Lessee further agree that in the event Lessee breeches this Lease or any covenant, term or condition hereunder, and abandons the leased Premises, or any portion thereof, this Lease shall continue in force and effect so long as Lessor does not terminate Lessee's right to possession, as set forth in this Lease. Acts of maintenance or preservation, or efforts to relet the leased Premises, or the appointment of a Receiver upon the initiation of the Lessor to protect the Lessor's interest under this lease shall not constitute a termination of Lessee's right to possession. If Lessor at any time, by reason of

Lessee's default, pays any sum or does any act that requires the payment of any sum, or if Lessor incurs any expense, including attorney fees, in instituting proceedings, or defending any action or proceeding instituted by reason of any default of Lessee hereunder, the sum or expense paid by Lessor, with all interest, costs and damages, shall be due immediately from Lessee to Lessor at the time the same is paid, and if not so immediately paid by Lessee, shall bear interest as herinafter provided.

9. Holdover: This Lease shall terminate and shall become null and void without further notice upon the expiration of the term, or sooner as specified herein. If Lessee shall hold over for any period after the expiration of said Term, Lessor may, at its option, exercised by written notice to Lessee, treat Lessee as a Lessee from month-to-month commencing on the first day following the expiration of this Lease, subject to the terms and conditions herein contained, except that the Rent, which shall be payable in advance monthly, shall be equal to the amount of said monthly Rent applicable at the date of expiration, together with all additional rents, costs, expenses and other rental adjustments herein called for.

10. Rights Reserved by Lessor:

10.1 Lessee agrees to permit Lessor or the authorized representative of Lessor to enter the leased Premises at all reasonable times during usual business hours for the purposes of: (a) inspecting the same, (b) making such repairs or reconstruction required or permitted by Lessor; and (c) performing any work therein that may be necessary by reason of Lessee's default under the terms of this Lease, without prior written notice thereof to Lessee.

10.2 Lessor is hereby given the right during usual business hours to enter the leased Premises and to exhibit the same for purposes of sale, lease or mortgage, and during the last TWO (2) months of the Term of this Lease, to exhibit the same to any prospective Lessee.

11. Loss and Damage: Lessor shall not be liable for any damage to property of Lessee, or of others located on the leased Premises. Lessor shall not be liable for any injury or damage to persons or property, or improvements made to the property by the Lessee. Lessor shall not be liable for any latent defect in the leased Premises unless due to the willful negligence of Lessor. All property of Lessee kept or stored on the leased Premises shall be kept or stored at the risk of Lessee.

12. Option to Purchase. The Lessor grants to Lessee an option to purchase the leased Premises as set forth in the executed Option to Purchase Agreement attached hereto that may be exercised by the Lessee no sooner than July 17, 2029, and until the end of the lease term, unless this Lease is sooner terminated for any reason. Lessor's purchase of the leased Premises or termination of this lease agreement shall terminate the Lessee's right to purchase the leased Premises as set forth in the Option to Purchase Agreement.

13. Default. Each of the following events shall be an "Event of Default" by Lessee under this Lease:

13.1 Failure To Pay. Failure by Lessee to pay any sum, including Rent, due under this Lease following five (5) days ‘notice from Lessor of the failure to pay.

13.2 Insolvency. Lessee’s insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within 60 days after its institution or commencement.

13.3 Levy or Execution. The taking of Lessee’s interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Lessee, or attachment of Lessee’s interest in this Lease by any creditor of Lessee, if such attachment is not discharged within 15 days after being levied.

13.4 Other Non-Monetary Defaults. The breach by Lessee of any agreement, term or covenant of this Lease other than one requiring the payment of money, or of the Development Agreement between Lessor and Westrock Construction, LLC for development of the property at 1800 Main Street and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of 30 days after notice by Lessor to Lessee of the breach, provided that, if the nature of such default is such that it cannot be cured with such 30 days of notice by Lessor and Lessee diligently pursues such cure to completion, but in no event longer than 60 days from the date of Lessor’s notice.

Lessor shall not be in default unless Lessor fails to perform obligation required of Lessor within 30 days after notice by Lessee to Lessor, provided that, if the nature of such default is such that it cannot be cured within such 30-day period, Lessor shall not be in default if Lessor commences such cure within 30 days of notice by Lessee and diligently pursues such cure to completion. If Lessor fails to cure any such default with the allotted time, Lessee’s sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Lessor’s failure to discharge it obligations under this lease. Nothing herein contained shall relieve Lessor from its duty to perform any of its obligation to the standard prescribed in this lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

14. Remedies. Lessor shall have the following remedies upon an Event of Default. Lessor’s rights and remedies under this Lease shall be cumulative and not exclusive.

14.1 Termination of Lease. Lessor may terminate Tenant’s interest under the Lease, but no act by Lessor other than notice of termination from Lessor to Lessee shall terminate this lease. The Lease shall terminate on the date specified in the notice of termination.

14.2 Re-Entry and Possession. Upon termination the Less or shall be entitled to enter upon and retake possession of the leased Premises as may have been improved by the Lessee without cost or obligation by Lessor to Lessee. To the fullest extent permitted by law, Lessee shall be responsible to Lessor for any damages, costs, or expenses it incurs in connection with re-entry, including reasonable attorney fees and costs for removing Lessor's personal property and equipment.

14.3 Waiver of Redemption Rights. Lessor, for itself, and on behalf of any and all persons claiming through or under Lessor, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Term, or any extension thereof, or to exercise the Option to Purchase the Premises.

14.4 Failure to Remove Property. If Lessee fails to remove any personal property from the Premises at Lessor's request following an uncured Event of Default, Lessor may, at its option, remove and store the property at Lessee's risk and expense. If Lessee does not pay the storage costs within five (5) days of the Lessor's request, Lessor, Lessor may, at its option, have any such property sold at public or private sale (and Lessor may become a purchaser at such sale) in such a manner as Lessor deems proper, without notice to Lessee. Lessor may apply the proceeds of such sale to the expenses of such sale and to the payment of any sums due and owing the Lessor from Lessee.

15. Miscellaneous Provisions:

15.1 Lease Binding on Successors. The covenants and agreements herein contained shall bind and inure to the benefit of Lessor and Lessee, and each of their heirs, personal representatives, successors and assigns, subject to the provisions of this Lease.

15.2 Attorney Fees. In the event that legal proceedings are brought or commenced to enforce the terms of this Lease, the prevailing party shall be entitled to recover from the other party all costs and expenses of such proceedings, including its actual attorney fees, whether or not any proceedings are prosecuted to judgment. Any causes of action are to be brought in Pierce County, Washington.

15.3 Notices. Any notice or demand required or permitted by law of by any of the provisions of this Lease shall be in writing. All notices or demands shall be deemed to have been properly given when served personally on the Lessee/Lessor or when sent by registered or certified mail, postage prepaid, addressed to the address set forth below:

Lessor:	Lessee:
Name	c/o City Administrator
Title	City Hall
Mailing Address	1813 Main Street, Lake Stevens, WA

15.4 Partial Invalidity. If any term, covenant or condition of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

15.5 Agreements in Writing. It is understood that there are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Lessor to Lessee with respect to the subject matter thereof, and none shall be used to interpret or construe this Lease. It is further agreed by and between the parties hereto that there shall be no modification or amendment of this Lease, except as may be executed in writing between all parties hereto.

15.6 Headings and Captions. The headings or captions of paragraphs in this Lease are for convenience and reference only, and they in no way define, limit or describe the scope or intent of this Lease or the provision of such paragraphs.

15.7 Time. Time is hereby expressly declared to be of the essence of this Lease and of each and every covenant, term, condition and provisions hereof.

15.8 Performance and enforcement of this Lease. Any proceedings regarding this Lease shall be in Snohomish County, Washington.

IN WITNESS WHEREOF, the parties hereto have executed this lease as of the day and year written below (Signatures on following page).

LESSEE:	**LESSOR:**
Lakeview Flats, LLC, a Washington Limited Liability Company	**City of Lake Stevens, a Washington municipal corporation**
X_________________________________	X_________________________________
By: ______________________________	By:_______________________________
Its: ______________________________	Its:_______________________________
Date:_____________________________	Date:_____________________________

ACKNOWLEDGEMENTS

STATE OF WASHINGTON)
)ss.
COUNTY OF SNOHOMISH))

On this ___ day of _____________, before me personally appeared _____________, to me known to be the _______________ of Lakeview Flats, LLC., the entity that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the use and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Signature: __________________________

Name: (print) _______________________

NOTARY PUBLIC in and for the State of
Washington, residing at ______________
My appointment expires:______________

STATE OF WASHINGTON)
)ss.
COUNTY OF SNOHOMISH))

On this ___ day of ______________, before me personally appeared Brett Gailey, to me known to be the Mayor of the City of Lake Stevens, Washington, the government entity that executed the within and forgoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purpose therein mentioned, and on oath stated that she was authorized to execute said instrument on behalf of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Signature: __________________________

Name: (print) _______________________

NOTARY PUBLIC in and for the State of
Washington, residing at ______________
My appointment expires:______________

REAL PROPERTY OPTION AGREEMENT

AFTER RECORDING RETURN TO:

Adams & Duncan, Inc., P.S.
3128 Colby Avenue
Everett, WA 98201
Attn: Christopher D. Adams

Document Title:	REAL PROPERTY OPTION AGREEMENT
Reference:	n/a
Grantor:	THE CITY OF LAKE STEVENS, a Washington municipal corporation
Grantee:	LAKEVIEW FLATS, LLC, a Washington limited liability company
Abbreviated Legal Description:	________________. Full Legal Description attached hereto as **Exhibit A**.
Tax Parcel No:	_________________

REAL PROPERTY OPTION AGREEMENT

THIS REAL PROPERTY OPTION AGREEMENT (the "Agreement") is made to be effective the ___ day of ______________, 2022 (the "Effective Date"), by and between the City of Lake Stevens, a Washington municipal corporation (the "City" or "Grantor"), and Lakeview Flats, LLC, a Washington limited liability company ("Grantee").

RECITALS

WHEREAS, the City and Grantee entered into that Development Agreement, dated ________________ (the "Development Agreement"), wherein the City and Grantee agreed to certain terms and conditions governing (i) the transfer of certain real property (the "Property") to Grantee and (ii) the development of the Property. The Property is commonly known as 1800 Main Street, Lake Stevens, Washington and the Property is legally described in the Development Agreement;

WHEREAS, pursuant to the Development Agreement, Grantee agreed to develop the Property by constructing a multi-story mixed-use building (the "Building"). The parties intend that a portion of the Building will be used as restaurant space. Due the parties' development of the Property, the Building will require a certain number of vehicle parking spaces. The Building intends to use an adjoining parcel of real property for parking (the "Parking Property"). The Parking Property is commonly known as 1709 123rd Dr. N.E., Lake Stevens, Washington;

WHEREAS, the Parking Property is currently owned by the City. Pursuant to the Agreement, Grantee agreed to construct improvements on the Parking Property to make it suitable for vehicle parking (the "Improvements") consistent with the design documents for the parking area provided Grantee by the City. Grantee agreed to construct the Improvements at Grantee's sole cost and expense. The parties acknowledge that the Improvements will increase the value of the Parking Property; and

WHEREAS, the parties acknowledge that Grantee will incur a substantial amount of risk and cost in developing of the Property and the Parking Property. The parties further acknowledge that vehicle parking is critical to the success of the development of the Property. To induce the Grantee to enter into the Development Agreement and to induce Grantee to assume Grantee's obligations to develop the Property, the City agreed to grant to Grantee an option to purchase the Parking Property on the terms and conditions herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Grant of Option. In consideration of the mutual promises and covenants contained in this Agreement and in the Development Agreement, Grantor does hereby grant to Grantee an exclusive option to purchase the Parking Property (the "Option"). The Parking Property is legally described in **Exhibit A** attached hereto.

2. Term. Grantee shall have the right to exercise the Option at any time between July 17, 2029 and December 31, 2031 ("Expiration Date") unless the Lease Agreement has been terminated or the Grantee has received notice from the Grantor of an "Event of Default" under the provisions of the Lease Agreement that has not yet been cured. If

Grantee has not exercised the Option pursuant to Section 3 below by the Expiration Date, then this Agreement shall automatically and immediately terminate.

3. Exercise. To exercise the Option, Grantee must send written notice to Grantor notifying Grantor of Grantee's intent to exercise the Option.

4. Purchase Price. In the event Grantee exercises the Option, the purchase price for the Parking Property shall be the fair market value of the Parking Property on the exercise date of the Option as if undeveloped raw land. Grantee shall deliver to Grantor the full amount of the purchase price in cash or cash equivalent at closing.

The parties will attempt to reach an agreement on the purchase price during the thirty-day period following Grantee's exercise of the Option. Grantor and Grantee shall make a good faith effort to determine and agree on the Purchase Price. If the parties cannot agree on the Parking Property's fair market value during the thirty-day period following exercise of the Option, then the parties will commence the following process:

(i) The Parties shall have ten (10) days to mutually agree upon a single qualified appraiser. In order to be considered a qualified appraiser, the appraiser must be an MAI with a minimum of five (5) years' experience in commercial property appraisals. A qualified appraiser may not have conducted nor anticipate conducting a material amount of business with either Grantor or Grantee or any of their affiliates. A qualified appraiser may not have any financial interest in Grantor or Grantee or any of their affiliates. The appraiser appointed shall determine the current Fair Market Value of the Parking Property as if undeveloped raw land within twenty (20) days of the appointment, which determination shall be final, conclusive, and binding upon both the Grantor and Grantee.

(ii) If Grantor and Grantee cannot mutually agree upon an appraiser, then either party may give the other party written notice that it has selected and appointed an appraiser, complete with the name, address, and other identifying information about the appraiser. The party receiving the notice shall then have ten (10) days to select and appoint its own appraiser and respond by giving written notice to the other party, containing the name, address, and other identifying information about the appraiser. If, however, the responding party fails to select and appoint an appraiser and give notice to the other party within ten (10) day, the determination of the appraiser first appointed shall be final, conclusive and binding upon both parties. The appraiser's fees and expenses shall be shared equally between the parties.

(iii) The appraisers appointed shall proceed to determine the Fair Market Value of the Parking Property as if undeveloped raw land within twenty (20) days following their appointment. The conclusion of the appraisers shall be final, conclusive and binding upon both Grantor and Grantee. If the appraiser should fail to agree, but the difference in their conclusions is ten percent (10%) or less of the lower of the two appraisals, then the fair market value purchase price shall be deemed to be the average of the two determinations of value. If the two appraisers should fail to agree and the difference between the two appraisals exceeds ten (10%) of the lower of the two appraisals, then the two appraisers shall promptly appoint a third appraiser. Once appointed, the third appraiser shall promptly determine the fair market value of the Parking Property as if undeveloped raw land. The third appraiser shall then take the average of the two appraisals that are closes in value, which average shall be final, conclusive, and binding upon both Grantor and Grantee. Each party shall pay its own legal fees (if any) and the fees and expenses for its own appraiser. In the event a third appraiser must be appointed, his or her fees and expenses shall be borne equally by the parties.

5. <u>Contingencies</u>.

5.1 <u>Financing Contingency</u>. The parties acknowledge that the Option shall not contain a financing contingency.

5.2 <u>Inspection Contingency</u>.

(i) <u>Inspection Period</u>. Grantee shall have thirty (30) days from the exercise date of the Option to investigate the Parking Property and all matters relevant to its acquisition, ownership, and operation. Grantee shall not waive this contingency unless the condition of the Parking Property is satisfactory to Grantee in its sole discretion. Such right of investigation will include, without limitation, the right to perform, at Grantee's expense, any environmental site assessments and other studies or physical inspections of the Parking Property that Grantee may deem necessary or appropriate, or to contact government officials with regard to the Parking Property. Grantor shall cooperate with any such inspections made by or at Grantee's direction so long as such cooperation is at no material expense or liability to Grantor. Grantor shall provide Grantee and Grantee's agents and contractors with access to the Parking Property for Grantee's inspections, provided that: (i) Grantee will keep the Parking Property free and clear of any mechanic's or materialmen's liens arising out of any such entry, promptly restore any damage caused by Grantee or its agents or contractors, perform all inspections in a safe and professional manner, not allow any dangerous or hazardous conditions, and comply with all applicable laws and governmental regulations; and (ii) Grantee will provide Grantor with at least twenty-four (24) hours' advance notice of and permit Grantor to accompany Grantee and any of its agents or contractors during their visits to the Parking Property.

(ii) Termination. If, prior to the expiration of the Inspection Period, Grantee gives Grantor written notice setting forth Grantee's decision not to proceed with the purchase of the Parking Property and an express statement of Grantee's election to terminate this Agreement, then this Agreement will terminate and both parties will be relieved of any further obligations hereunder, except for those obligations which expressly survive any termination hereof. If Grantee does not give such termination notice prior to the expiration of the Inspection Period, then this Agreement will remain in full force and effect in accordance with its terms.

5.3 Title Contingency.

(i) Title Report and Insurance. No later than ten (10) days after the exercise date of the Option, the parties shall, at Grantor's expense, cooperate to obtain an ALTA standard form owner's policy of title insurance commitment in the face amount of the purchase price (if the parties have not agreed on the purchase price, then the parties will use an estimated purchase price and will update the final policy to reflect the actual purchase price). If Grantee desires an extended coverage owner's policy, Grantee shall pay the increased costs associated with that policy as provided below, including the excess premium over that charged for a standard coverage policy, and the cost of any survey required by the title insurer. The title commitment shall be issued by a title company of Grantor's reasonable choice (the "Title Company").

(ii) Exceptions; Contingency. Grantee shall notify Grantor of any objectionable matters in the title commitment or any supplemental report within thirty (30) days of Grantee's receipt of said title commitment. In the event Grantee provides written objections, within ten (10) days of Grantor's receipt of Grantee's notice of such objections, Grantor shall submit a written response to Grantee (i) agreeing to remove all of the objectionable provisions by closing or (ii) notifying Grantee of which objections Grantor refuses to remove. If Grantor does not respond to Grantee's notice of objections within the ten (10) day period, Grantor shall be deemed to have agreed to remove the title matters to which Grantee objected. If Grantor refuses to cure any title objections, then Grantee shall have the option to (i) terminate this Agreement, or (ii) waive the title contingency by providing written notice of such waiver to Grantor within ten (10) days of Grantee's receipt of Grantor's response to Grantee's title objections.

If any new title matters are disclosed in a supplemental title report, then the preceding termination, objection, and waiver provisions shall apply to the new title matters except that Grantee's notice of objection must be delivered within ten (10) days of delivery of the supplemental report and Grantor's response must be delivered within five (5) days of Grantee's notice of objections. The parties agree to extend the closing date to the extent necessary to permit time for these notices. Grantee shall have the right, but the not the obligation, to object to matters in the title report. Notwithstanding anything to the contrary, Grantor shall remove at closing, and Grantee shall not be required to object to, monetary encumbrances against the Parking Property ("Monetary Encumbrances"). Those matters not objected to or for which Grantee waived its objections shall be referred to collectively as the "Permitted Exceptions." Grantor shall cooperate with Grantee and the Title Company to clear objectionable title matters but shall not be required to incur any out-of-pocket expenses or liability other than payment of Monetary Encumbrances and proration of real property taxes, and Grantor shall provide an owner's affidavit containing the information and reasonable covenants requested by the Title Company. The title policy shall contain the general exclusions and exceptions common to such form of policy.

(iii) Extended Title Insurance. Grantee acknowledges that coverage afforded by an ALTA standard form owner's title insurance policy provides limited or no coverage for loss by reason of conflicts in boundary lines, shortage in area, encroachments, or other matters which an accurate survey would disclose. More extensive coverage through an extended policy of title insurance may be available for an additional charge and subject to additional requirements imposed by the Title Company, including a survey. If Grantee requires or desires extended title insurance, Grantee agrees to pay all costs in excess of those charged for the ALTA standard form owner's title insurance policy, including, without limitation, increased premiums and survey costs. If a survey is required for an extended policy, Grantee shall order the survey within five (5) business days of receiving notice from the Title Company that a survey is required or Grantee can waive Grantee's request for an extended policy.

6. Closing. The conveyance of the Parking Property from Grantor to Grantee shall be scheduled at the parties' mutual agreement on a date no later than sixty (60) days after the satisfaction or waiver of all of the contingencies set forth in Section 5 above. After the closing date is so scheduled, it may be rescheduled upon the parties' written agreement.

7. Closing Costs. The parties shall pay the closing costs as follows:

7.1 Grantor's Closing Costs. Grantor shall pay the following costs and expenses in connection with closing:

(i) real property taxes and utilities prorated as of the closing date;

(ii) any real estate excise tax due;

(iii) half of the escrow agent's fee;

(iv) the cost of an ALTA standard form owner's title insurance policy; and

(v) the City's own attorney's fees.

7.2 Grantee's Closing Costs. Grantee shall pay the following costs and expenses in connection with closing:

the Purchase Price
(ii) half of the escrow agent's fee;

(iii) if Grantee elects, the additional cost of an extended coverage owner's title policy;

(iv) the cost of recording the deed of conveyance; and

(v) Grantee's own attorneys' fees.

8. Documents Required from Grantor and Grantee.

8.1 Grantor. On or before the applicable closing date, Grantor shall deliver to the escrow agent the following documents:

(i) An executed and recordable statutory warranty deed for the Parking Property (the "Deed") conveying fee title to the Parking Property to Grantee subject only to the exceptions referenced in Section 5.3 above, and an accompanying executed real estate excise tax affidavit;

(ii) An executed Seller's Disclosure Statement pursuant to RCW 64.06;

(iii) Any affidavits, certifications or instruments, including any lien affidavits or mechanic's lien indemnifications, duly executed and acknowledged by Grantor, as reasonably may be required by the Title Company in order to issue the title policy;

(iv) Grantor's escrow instructions consistent with this Agreement; and

(v) Such other documents as are reasonably required or requested by Grantee or the escrow agent to complete the transactions contemplated by this Agreement.

8.2 Grantee. On or before the applicable closing date, Grantee shall deliver to the escrow agent the following documents:

(i) An executed real estate excise tax affidavit;

(ii) Grantee's escrow instructions consistent with this Agreement; and

(iii) Such other documents as are reasonably required or requested by Grantor or the escrow agent to complete the transactions contemplated by this Agreement.

9. Conditions to Close.

9.1 Conditions in Favor of Grantee. Grantee's obligation to close is conditioned upon the satisfaction by Grantor or waiver by Grantee of the following conditions:

(i) Grantor has delivered each of the documents described in Section 8.1 above by the closing date;

(ii) Grantor has performed all its obligations under this Agreement; and

(iii) All representations and warranties of Grantor are true and correct in all material aspects as of the closing date.

9.2 Conditions in Favor of Grantor. Grantor's obligation to close is conditioned upon the satisfaction by Grantee or waiver by Grantor of the following conditions:

(i) Grantee has delivered each of the documents described in Section 8.2 above by the closing date;

(ii) Grantee has performed all its obligations under this Agreement; and

(iii) All representations and warranties of Grantee are true and correct in all material aspects as of the closing date.

9.3 Failure of Conditions. In the event any of the conditions set forth in Section 9.1 or Section 9.2 above are not satisfied or waived by the closing date, the party entitled to the benefit of such condition shall have the right to terminate this Agreement, subject to Section 12, by giving written notice of such termination to the other party. In the event of such termination, all documents delivered shall be returned to the delivering party.

10. Effect of Termination. In the event this Agreement is terminated prior to the closing date for any reason, the parties shall have no further obligation to each other under this Agreement, except as otherwise provided herein.

11. Representations and Warranties of Grantor and Grantee. Grantor and Grantee hereby make the following representations and warranties.

11.1 Representations of Grantor. Grantor represents and warrants to Grantee as follows:

(i) Grantor is, and on the closing date will be, the sole owner of fee title to the Parking Property, and there are no Monetary Encumbrances against the Parking Property incurred by Grantor that will not be satisfied at or prior to closing;

(ii) Grantor has not been served with and Grantor has no actual knowledge of any pending or threatened claims or lawsuits that could adversely affect Grantor's interest in the Parking Property or prohibit or restrict the sale contemplated by this Agreement;

(iii) Grantor is duly authorized to enter into this Agreement and to perform Grantor's obligations hereunder;

(iv) Grantor has not committed nor obligated itself in any manner whatsoever to sell the Parking Property or any interest therein to any party other than Grantee;

(v) This Agreement and all instruments and documents to be executed by Grantor pursuant to this Agreement are, and upon the closing date will be, duly executed and delivered by Grantor; and

(vi) No consent, approval, or authorization by any individual or entity or any court, administrative agency, or other governmental authority is required in connection with the execution and delivery of this Agreement or the consummation of the transaction set forth in this Agreement by Grantor that has not been obtained.

These representations and warranties of Grantor shall survive closing.

11.2 Representations of Grantee. Grantee represents and warrants to Grantor as follows:

(i) This Agreement and all instruments and documents to be executed by Grantor pursuant to this Agreement are, and upon the closing date will be, duly executed and delivered by Grantor;

(ii) Farm Notice. Grantor acknowledges that it has received the following "farm notice" pursuant to RCW 64.06.022: This notice is to inform you that the real property you are considering for purchase may lie in close proximity to a farm. The operation of a farm involves usual and customary agricultural practices, which are protected under RCW 7.48.305, the Washington Right to Farm Act; and

(iii) No consent, approval or authorization by any individual or entity or any court, administrative agency or other governmental authority is required in connection with the execution and delivery of this Agreement or the consummation of the transaction contemplated by this Agreement by Grantor that has not been obtained.

These representations and warranties of Grantor shall survive closing.

12. Remedies. Notwithstanding any provision herein contained to the contrary, if the closing fails to occur by reason of Grantor's default or by the failure of any contingency for Grantee's benefit, Grantee's remedies shall be (i) to terminate this Agreement and Grantor shall be responsible for all costs incurred by Grantee pursuant to Section 5 above or (ii) to bring suit to specifically enforce this Agreement and recover any incidental damages and reasonable attorneys' fees and costs. In the event the transaction contemplated herein fails to close by reason of Grantee's default, then Grantor's remedies shall be (i) to terminate this Agreement and Grantee shall be responsible for all costs incurred by Grantor pursuant to Section 5 above or (ii) to bring suit to specifically enforce this Agreement and recover any incidental damages and reasonable attorneys' fees and costs.

13. Brokerage Commission. Grantor and Grantee each represent and warrant to the other that it has not been represented by any real estate broker in connection with this transaction. Grantor agrees to indemnify, defend and hold Grantee harmless from any commission due as a result of any agreement entered into by Grantor. Grantee agrees to indemnify, defend and hold Grantor harmless from any commission due as a result of any agreement entered into by Grantee.

14. Grantor's Pre-Closing Covenants.

14.1 New Leases. After the Effective Date of this Agreement, Grantor agrees that it will not enter into any new lease, sublease, license or any other similar agreement for any portion of the Parking Property.

14.2. Notice of Material Events. Grantor shall notify Grantee within three (3) business days of Grantor obtaining knowledge of any fact or event which renders Grantor's representations and warranties hereunder untrue in any material respect.

14.3 No Sale Agreements. After the Effective Date of this Agreement, Grantor agrees that it will not (i) enter into any agreement with a third party to sell the Parking Property or any portion thereof or (ii) market the Parking Property for sale to a third party.

15. Damage, Destruction, Contamination, and Condemnation.

15.1 Risk of Physical Loss. If after exercise of the option and on or before the closing date, the Parking Property is damaged by fire, flood, earthquake, or other casualty, Grantee may, at its option, elect not to acquire the Parking Property. If Grantee elects not to acquire the Parking Property, then this Agreement shall terminate.

15.2 Environmental Liabilities. Grantee purchases the Parking Property AS IS and assumes all risk of Environmental Liability related to Hazardous Substances under Environmental Law by exercise of this option to purchase and decision to purchase the property.(i) Environmental Law. The term "Environmental Law" means any federal, state, or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup, including without limitation the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Sec. 9601-9675, The Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6906 et. seq., The Toxic Substance Control Act, 15 U.S.C. Sec. 2601-2671, The Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801-1813, The Federal Water Pollution Control Act, 33 U.S.C. Sec. 1251-1387, The Clean Air Act, 42 U.S.C. Sec. 7401-7642, The Safe Drinking Water Act, 42 U.S.C. Sec. 300F-300J-26, The Solid Waste Disposal

Act, 42 U.S.C. Sec. 6901-6992K, The Coastal Zone Management Act, 16 U.S.C. Sec. 1451-1464, The Washington Model Toxics Control Act, RCW Ch. 70.105D, The Washington Clean Air Act, RCW Ch. 70.94, The Washington Water Control Statute, RCW Ch. 90.48, The Washington Safe Drinking Water Act, RCW Ch. 70.119A, The Washington Hazardous Waste Management Act, RCW Ch. 70.105, The Washington Shoreline Management Act, RCW Ch. 90.58, and The Occupational Safety and Health Act, 29 U.S.C. Sec. 651 et. seq., as such laws have been or may be amended or supplemented, and any other federal, state or local regulations governing environmental matters which may be applicable.

(ii) Hazardous Substance. The term "Hazardous Substance" means any hazardous, toxic or dangerous substance, waste or material which is defined as such by or becomes regulated under any Environmental Law. Without limiting the foregoing, Hazardous Substances shall include, but not be limited to, any substance which after being released into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, and/or genetic abnormalities.

(iii) Environmental Liability. "Environmental Liability" means any and all costs and liabilities resulting from any claim or demand, arising from environmental conditions on the Parking Property, or the release or threatened release, of a Hazardous Substance into the environment, in connection with the Parking Property, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, including any Environmental Law, permit, environmental lien, order or agreement with any governmental authority, including but not limited to the following: all liabilities; obligations; responsibilities; Remedial Actions; losses; natural resource damages; damages to other properties; damages; punitive damages; consequential damages; treble damages; costs and expenses (including without limitation, all reasonable fees of counsel, disbursements and expenses of counsel, expert and consulting fees and costs of investigation and feasibility studies); fines; penalties and monetary sanctions, interest; regardless of whether such claims are direct or indirect, known or unknown, absolute or contingent, past, present or future.

15.3 Condemnation. If, on or before the closing date, any governmental entity shall commence any actions of eminent domain or similar type proceedings to take any portion of the Parking Property that the Grantee reasonably believes would materially adversely affect the Parking Property, Grantee shall have the option either to (a) elect not to acquire the Parking Property or (b) complete the acquisition of the Parking Property, in which event Grantee shall be entitled to all the proceeds of such taking. If Grantee elects not to acquire the Parking Property, this Agreement shall terminate.

16. Miscellaneous.

16.1 Use of the Parking Property after Closing. The parties acknowledge that Grantor may need to use a portion of the Parking Property for vehicle parking or staging and co-ordination of community events as occurred during the Grantee's lease of the Parking Property after closing. Prior to closing, the parties shall enter into a written agreement, which shall allow Grantor to use the Parking Property under reasonable conditions during community events, provided that Grantor's use will not interfere with the use or enjoyment of the Property (as it will be developed for parking of vehicles pursuant to the Development Agreement).

16.2 Assignment. Neither party shall have the right to assign this Agreement to any third party and its rights hereunder without the written approval or consent of the other party, which consent may not be unreasonably withheld. This Agreement shall be binding and shall inure to the benefit of the permitted successors and assigns of the parties to this Agreement.

16.3 Non-merger. The terms of this Agreement, including all warranties, covenants, and conditions, shall not merge into the deed or other conveyance instrument delivered by Grantor to Grantee on the closing date, but shall survive closing of the purchase and sale transaction described in this Agreement.

16.4 Attorney's Fees. In any action or proceeding between the parties hereto concerning or arising out of this Agreement, the prevailing party in such action shall be entitled to recover from the other party its reasonable attorneys' fees, expert witness' fees, consultant fees, and other reasonable expenses incurred in connection with such action or proceeding, in addition to its recoverable court costs, at trial and on any appeal.

16.5 Possession. Grantee shall be entitled to possession at closing.

16.6 Notices. Any notice required or permitted to be given hereunder shall be in writing and may be (a) personally delivered, (b) sent by reputable overnight courier, (c) sent by United States Mail or (d) sent by facsimile transmission (with copy mailed concurrently by United States mail or concurrently sent by overnight courier), and shall be deemed to have been given (i) on the day of personal delivery if a business day, or if not, on the next business day, (ii) the next business day if sent by overnight courier, (iii) two (2) business days after having been deposited in the United States mail, return receipt requested, postage prepaid and properly addressed, if sent by United States mail and (iv) on the day of transmission if a business day, or if not, on the next business day, if sent by facsimile transmission (with a copy concurrently mailed or sent by United States mail or overnight courier as above provided). Addresses for notice by overnight courier or for notice by United States mail and facsimile numbers are as follows:

If to Grantor: The City of Lake Stevens ________________________ ________________________ Attn: __________________	If to Grantee: Lakeview Flats, LLC 5418 – 123rd Ave NE Lake Stevens, WA 98258 Attn: Brian Lewandowski
With Copy to: ________________________ ________________________ ________________________ Attn: __________________	With Copy to: Adams & Duncan, Inc., P.S. 3128 Colby Avenue Everett, WA 98201 Attn: Christopher D. Adams

Either party may change its address for notice by giving the other party written notice thereof as herein provided.

16.7 Integration. This Agreement and other documents expressly incorporated herein by reference contain the entire and exclusive understanding and agreement between the parties relating to the matters contemplated hereby and all prior contemporaneous negotiations, agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.

16.8 Construction. This Agreement shall be construed according to its fair meaning. Each of the parties hereto agrees that it has been represented by legal counsel, or has had the opportunity to be represented by legal counsel if it so desires, in connection with the negotiation and preparation of this Agreement, that it participated in the preparation of this Agreement and that this Agreement shall not be construed against either party as the drafter of this Agreement.

16.9 Titles and Captions. Titles and captions are for convenience only and shall not constitute a portion of this Agreement.

16.10 Recitals and Exhibit. The Recitals above and the Exhibit attached hereto are hereby incorporated into this Agreement.

16.11 No Waiver. No delay or omission by either party hereto in exercising any right or power accruing upon the compliance or failure of performance by the other party hereto under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party hereto of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

16.12 Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.

16.13 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16.14 Time of the Essence. Time is hereby expressly made of the essence of this Agreement and each provision hereof.

16.15 No Third-Party Benefit. This Agreement is intended to benefit only the parties hereto and no other person or entity has or shall acquire any rights hereunder, except as set forth in Section 16.2 above.

16.16 Counterparts. This Agreement and any documents required to be executed by the parties hereunder may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument as though all signatures appeared on one document.

16.17 Governing Law and Choice of Forum. This Agreement is made and entered into within and shall be governed by, construed, interpreted and enforced in accordance with the laws of the state of Washington, without reference to the principles of conflicts of laws. Any action to enforce this Agreement shall be brought in the Snohomish County Superior Court.

16.18 Reliance on Own Counsel. In entering into this Agreement, the parties acknowledge that they are represented by counsel or have had ample opportunity to obtain counsel. The parties further represent that they have relied upon the legal advice of their respective attorneys, who are the attorneys of their own choosing, that such terms are fully understood and voluntarily accepted by them, and that, other than the consideration set forth herein, no promises or representations of any kind have been made to them by the other party. The parties represent and acknowledge that in executing this Agreement they did not rely, and have not relied, upon any representation or statement, whether oral or written, made by the other party or by that other party's agents, representatives or attorneys with regard to the subject matter, basis or effect of this Agreement or otherwise.

[signature page to follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Real Property Option Agreement effective as of the Effective Date.

GRANTOR
THE CITY OF LAKE STEVENS

____
By:
Its:

GRANTEE
LAKEVIEW FLATS, LLC

____
By:
Its:

EXHIBIT F

Planned Action Ordinance

ORDINANCE NO. 1025

AN ORDINANCE OF THE CITY OF LAKE STEVENS, WASHINGTON ESTABLISHING A PLANNED ACTION FOR THE DOWNTOWN LAKE STEVENS SUBAREA PURSUANT TO THE STATE ENVIRONMENTAL POLICY ACT (CHAPTER 43.21C RCW AND WAC 197-11-164)

WHEREAS, the State Environmental Policy Act (SEPA) (Chapter 43.21C RCW) and implementing rules (WAC 197-11-164) provide for the integration of environmental review with land use planning and project review through designation of "Planned Actions" by jurisdictions planning under the Growth Management Act (GMA) (Chapter 36.70A RCW); and

WHEREAS, on September 22, 2015 the Lake Stevens City Council enacted Ordinance No. 937 adopting an updated Comprehensive Plan and Land Use Map for the City of Lake Stevens complying with the GMA; and

WHEREAS, the Growth Management Act allows jurisdictions to amend comprehensive plans once a year, except in those situations enumerated in RCW 36.70A.130(2)(a); and

WHEREAS, RCW 36.70A.130(2)(a)(i) and (v) allows jurisdictions to amend the comprehensive plan with initial adoption of a subarea plan and adoption of comprehensive plan amendments necessary to enact a planned action under RCW 43.21C.031(2); and

WHEREAS, the City is concurrently adopting a subarea plan to the comprehensive plan, land use map changes, shoreline map changes and a capital facilities plan (Ordinance 1026) and related zoning map changes and zoning code / design guideline amendments (Ordinance 1027) in association with this Planned Action Ordinance; and

WHEREAS, the City held community meetings to elicit public input on the subarea plan on June 30, September 7 and November 1, 2016; January 25 and March 7, 2017; and

WHEREAS, the City held a scoping meeting on July 18, 2017 to elicit public input on the Environmental Impact Statement (EIS) and a follow-up meeting on January 17, 2018 to review the Draft EIS; and

WHEREAS, the City has prepared a subarea plan for Downtown Lake Stevens, which is referred to as the Planned Action Area; and

WHEREAS, the City issued a Determination of Significance and request for comments on the scope of the environmental impact statement on July 5, 2017 and held a Scoping Meeting on July 18, 2017; and

WHEREAS, on January 6, 2018 the City issued a Draft Environmental Impact Statement (EIS) for the Downtown Lake Stevens Subarea Plan which identifies environmental impacts and mitigation measures associated with planned development in the subarea; and

WHEREAS, staff briefed City Council on the Draft EIS land use alternatives on February 6, 2018 and City Council adopted a preferred alternative on February 13, 2018; and

WHEREAS, on April 27, 2018 the City issued a Final environmental impact statement (EIS) for the Downtown Lake Stevens Subarea Plan which identifies impacts and mitigation measures associated with planned development in the subarea; and

WHEREAS, on May 16, 2018 the City held a community meeting on the Planned Action Ordinance, pursuant to Chapter 43.21C RCW, prior to issuing notice for the adoption of the planned action ordinance; and

WHEREAS, in taking the actions set forth in this ordinance, the City has complied with the requirements of the State Environmental Policy Act, Ch. 43.21C RCW; and

WHEREAS, the City is concurrently adopting updated design guidelines, development regulations and capital facilities plan for the subarea, which will help protect the environment; and

WHEREAS, the City submitted the proposed subarea plan, land use map amendments, zoning map amendments and development regulation amendments for the 60-day review to the Washington State Department of Commerce on April 27, 2018 and received an acknowledgement letter on April 30, 2018; and; and

WHEREAS, the Department of Commerce's 60-day review period was completed on June 30, 2018 and any Department comments are addressed in this Ordinance; and

WHEREAS, the Planning Commission held a public hearing on June 13, 2018 and recommended approval to the City Council; and

WHEREAS, the City Council held a Public Hearing and first reading for Ordinances 1025, 1026 and 1027 on June 26, 2018 and held a second reading of the same on July 10; and

WHEREAS, the Lake Stevens Planning Commission, after review of the proposed Downtown Lake Stevens Subarea Plan, Planned Action Ordinance, Comprehensive Plan Land Use Map and Zoning Map amendments, Subarea Land Use Map, proposed development regulations and design guidelines, and other related amendments, held a duly noticed public hearing on the amendment, and all public testimony was given full consideration before making a recommendation to the City Council to approve the proposed Subarea Plan, Planned Action and related documents; and

WHEREAS, the Lake Stevens City Council reviewed the Planning Commission's recommendation relating to the proposed Downtown Lake Stevens Subarea Plan, Planned Action Comprehensive Plan Land Use Map and Zoning Map amendments, Subarea Land Use Map and Subarea Zoning Map, proposed development regulations and design guidelines, and related amendments, and held a duly noticed public hearing, and all public testimony and arguments have been given full consideration; and

WHEREAS, designation of a Planned Action expedites the permitting process for subsequent, implementing projects whose impacts have been previously addressed in a Planned Action EIS, and thereby encourages desired growth and economic development; and

WHEREAS, the Downtown Lake Stevens Subarea is deemed to be appropriate for designation of a Planned Action.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON, DO ORDAIN AS FOLLOWS:

SECTION 1. Purpose. The City Council declares that the purpose of this ordinance is to:

A. Combine analysis of environmental impacts with the City's development of plans and regulations;

B. Designate the Downtown Lake Stevens Subarea as a Planned Action for purposes of environmental review and permitting of subsequent, implementing projects pursuant to the State Environmental Policy Act (SEPA), RCW 43.21C.031;

C. Determine that the EIS prepared for the subarea plan meets the requirements of a Planned Action EIS pursuant to SEPA;

D. Establish criteria and procedures, consistent with state law, that will determine whether subsequent, implementing projects qualify as Planned Actions;

E. Provide the public with information about Planned Actions and how the City will process applications for implementing projects;

F. Streamline and expedite the land use review and approval process for qualifying projects by relying on the environmental impact statement (EIS) completed for the Planned Action; and

G. Apply the City's development regulations together with the mitigation measures described in the EIS and this Ordinance to address the impacts of future development contemplated by the Planned Action.

SECTION 2*.* Findings. The City Council finds as follows:

A. The City is subject to the requirements of the Growth Management Act, Chapter 36.70A RCW, and is located within an Urban Growth Area;

B. The City has adopted a Comprehensive Plan complying with the GMA, and is amending the Comprehensive Plan to incorporate a subarea element specific to the Downtown Lake Stevens Planned Action Area;

C. The City is adopting development regulations and design guidelines concurrent with the Subarea Plan to implement said Plan;

D. The City has prepared an EIS for the Downtown Lake Stevens Subarea and finds that this EIS adequately addresses the probable significant environmental impacts associated with the type and amount of development planned to occur in the designated Planned Action Area;

E. The mitigation measures identified in the Planned Action EIS and attached to this ordinance, together with adopted subarea land use regulations and design guidelines, will adequately mitigate significant impacts from development within the Planned Action Area;

F. The subarea plan and Planned Action EIS identify the location, type and amount of development that is contemplated by the Planned Action;

G. Future projects that are implemented consistent with the Planned Action will protect the environment, benefit the public and enhance economic development within the City;

H. The City has provided numerous opportunities for meaningful public involvement in the proposed Planned Action; has considered all comments received; and, as appropriate, has modified the proposal or mitigation measures in response to comments;

I. The Downtown Lake Stevens Subarea Plan is not an essential public facility as defined by RCW 36.70A.200(1);

J. The Planned Action Area is a defined area that is smaller than the overall City boundaries; and

K. Public services and facilities will be adequate to serve the proposed Planned Action with implementation of mitigation measures identified in the EIS.

L. The City Council adopts and incorporates the foregoing recitals as findings and conclusions as if set forth fully herein.

SECTION 3. Procedures and Criteria for Evaluating and Determining Projects as Planned Actions.

A. *Planned Action Area.* The Planned Action designation shall apply to the area shown in **Exhibit A**.

B. *Environmental Document.* A Planned Action determination for a site-specific implementing project application shall be based on the environmental analysis contained in the Draft EIS issued by the City on January 6, 2018 and the Final EIS issued on April 27, 2018. The Draft and Final EISs together shall comprise the Planned Action EIS. The mitigation measures contained in **Exhibit B** are based upon the findings of the Planned Action EIS and shall, along with adopted City regulations, provide the framework that the City will use to impose appropriate conditions on qualifying Planned Action projects.

C. *Planned Action Designated.* Land uses and activities described in the Planned Action EIS, subject to the thresholds described in subsection 3.D and the mitigation measures contained in Exhibit B, are designated Planned Actions or Planned Action Projects pursuant to RCW 43.21C.031. A development application for a site-specific project located within the Downtown Lake Stevens Subarea shall be designated a Planned Action if it meets the criteria set forth in subsection 3.D of this ordinance and applicable laws, codes, development regulations and standards of the City.

D. *Planned Action Qualifications.* The following thresholds shall be used to determine if a site-specific development proposed within the Downtown Lake Stevens

Subarea is contemplated by the Planned Action and has had its environmental impacts evaluated in the Planned Action EIS:

(1) <u>Land Use.</u> The following general categories/types of land uses, which are permitted or conditionally permitted in zoning districts applicable to the Downtown Lake Stevens Planned Action Area, are considered Planned Actions:

(a) Park;

(b) Retail/Commercial;

(c) Office;

(d) Community Facilities;

(e) Housing (residential dwelling units);

(f) Lodging, such as hotels and motels;

(g) Open Space;

(h) Public Parking; and

(i) Infrastructure improvements identified in the EIS to support planned land uses.

Individual land uses considered to be Planned Actions shall include those uses specifically listed in subarea development regulations, Chapter 14.38 LSMC, applicable to the zoning classifications applied to properties within the Planned Action Area.

(2) <u>Development Thresholds.</u>

(a) The following amount of various new land uses are contemplated by the Planned Action:

Land Use[1]	**Development Thresholds**
Park	4.1 acres
Retail/Commercial[2]	170,000 gross square feet
Office	50,000 gross square feet
Community Facilities[3]	21,150 gross square feet
Residential	600 dwelling units
Public Parking	300 spaces
Total Trips	1740 trips

[1] A building with multiple uses will be designated by the majority use.

[2] Retail/Commercial includes accommodation services, arts and entertainment/, recreation, food services, retail trade, etc.

[3] Community facilities may include emergency services such as a fire station; public/semi-public buildings used for community, corporate or private events; or other traditional land uses that support government operations.

(b) Local road projects identified in the EIS to support planned levels of growth identified in subsection (2)(a) are considered planned actions.

(c) Shifting the total build out between categories of uses may be permitted if the total build-out does not exceed the aggregate amount of development and the trip generation reviewed in the EIS, and so long as the impacts of that development have been identified in the Planned Action EIS and are mitigated consistent with **Exhibit B**.

(d) If future development proposals in the Planned Action Area exceed the development thresholds specified in this ordinance or alter the assumptions and analysis in the Planned Action EIS, further environmental review may be required pursuant to WAC 197-11-172.

(3) Building Height. Building height shall not exceed those permitted in the underlying zoning district(s) pursuant to the standards set forth in Title 14 Land Use Code of the Lake Stevens Municipal Code.

(4) Transportation.

(a) *Thresholds*. The City currently uses LOS E as the standard for arterials and collectors and LOS C as the standard for acceptable operations on local access roads. The westbound leg of the intersection at Main Street/20th Street NE, within the downtown subarea, may fall below the defined LOS standard in 2035. It is reasonable to accept a reduced LOS standard for the PM peak at this intersection because of physical constraints and given the vision for a mixed-use district that functions as a local and regional destination, with multimodal transportation elements and an emphasize on providing safe pedestrian amenities to maintain the character of the district.

(b) *Concurrency.* The determination of transportation impacts shall be based on the City's concurrency management program contained in Chapter 14.110 LSMC.

(c) *Off-Site Mitigation.* As provided in the EIS and Chapter 14.110 LSMC, to mitigate transportation related impacts, all Planned Action Projects shall pay a traffic impact mitigation fee to participate in and pay a proportionate share of off-site improvements consistent with Chapter 14.112 LSMC and the current Fees Resolution.

(d) *Director Discretion.* The Director of Public Works or designee shall have discretion to determine incremental and total trip generation, consistent with the latest edition of the Institute of Traffic Engineers (ITE) Trip Generation Manual or an alternative manual accepted by the Director of Public Works at his or her sole discretion, for each project permit application proposed under this Planned Action.

(5) Elements of the Environment and Degree of Impacts. A proposed project that would result in a significant change in the type or degree of impacts to any of the elements of the environment analyzed in the Planned Action EIS, or that causes significant impacts to an element of the environment that was not considered in the Planned Action EIS, would not qualify as a Planned Action.

(6) Changed Conditions. Should environmental conditions change significantly from those analyzed in the Planned Action EIS, the City's SEPA Responsible Official may determine that the Planned Action designation is no longer applicable until supplemental environmental review has been conducted.

E. Planned Action Review Criteria.

(1) The City's SEPA Responsible Official may designate as "Planned Actions", pursuant to RCW 43.21C.030, applications that meet all the following conditions:

(a) Proposal is located within the Planned Action Area identified in **Exhibit A** of this ordinance;

(b) Proposed uses and activities are consistent with those described in the Planned Action EIS and Section 3.D of this ordinance;

(c) Proposal is within the Planned Action thresholds and other criteria of Section 3.D of this ordinance;

(d) Proposal is consistent with the City of Lake Stevens Comprehensive Plan;

(e) Proposal's potential significant adverse environmental impacts have been identified in the Planned Action EIS;

(f) Proposal's potential significant impacts have been mitigated by application of the measures identified in **Exhibit B**, and other applicable city regulations, together with any modifications, variances or special permits that may be required;

(g) Proposal complies with all applicable local, state and/or federal laws and regulations, and the SEPA Responsible Official determines that these constitute adequate mitigation; and

(h) Proposal is not an essential public facility as defined by RCW 36.70A.200(1), unless an essential public facility is accessory to or part of a project that is designated as a planned action.

(2) The City shall base its decision on review of a SEPA checklist, or an alternative form adopted with Planned Action Ordinance, and review of the application and supporting documentation.

(3) A proposal that meets the criteria of this section shall be considered to qualify and be designated as a Planned Action, consistent with the requirements of RCW 43.21C.030, WAC 197-11-164 et seq., and this ordinance.

F. Effect of Planned Action

(1) Designation as a Planned Action Project. Designation as a Planned Action Project means that a qualifying proposal has been reviewed in accordance with this ordinance and found to be consistent with its development thresholds, and with the environmental analysis contained in the Planned Action EIS.

(2) SEPA Determination. Upon determination by the City's SEPA Responsible Official that the proposal meets the criteria of Section 3.D and qualifies as a Planned Action, the proposal shall not require a SEPA threshold determination, preparation of an EIS, or be subject to further review pursuant to SEPA.

G. Planned Action Permit Process. Applications for Planned Actions shall be reviewed pursuant to the following process.

(1) Development Applications. Development applications shall meet all applicable requirements of the Lake Stevens Municipal Code (LSMC). Applications for Planned Actions shall be made on forms provided by the City and shall include a SEPA checklist, or an approved Planned Action checklist.

(2) The City's Director of Planning and Community Development or designee shall determine whether the application is complete as provided in LSMC 14.16A.220(f). If the

application is for a project within the Planned Action Area defined in **Exhibit A**, the application will be reviewed to determine if it is consistent with the criteria of this ordinance and thereby qualifies as a Planned Action Project. The SEPA Responsible Official shall notify the applicant of his/her decision. If the project is determined to qualify as a Planned Action, it shall proceed in accordance with the applicable permit review procedures specified in Chapter 14.16B LSMC, except that no SEPA threshold determination, EIS or additional SEPA review shall be required. The decision of the SEPA Responsible Official regarding qualification as a Planned Action shall be final.

(3) Public notice of the determination that a project qualifies as a planned action project, pursuant to Chapter 43.21C RCW, shall be mailed or otherwise verifiably provided to:

(a) All affected federally recognized tribal governments and

(b) Agencies with jurisdiction over the future development anticipated for the planned action.

The notice shall state that the project has qualified as a planned action. Other notice may be required for the underlying permit.

(4) Development Agreement.

(a) To provide additional certainty about applicable requirements, the City or an applicant may request consideration and execution of a development agreement for a Planned Action Project. The development agreement may address review procedures applicable to a Planned Action Project, permitted uses, mitigation measures, payment of impact fees or provision of improvements through other methods, design standards, phasing, vesting of development rights, or any other topic that may properly be considered in a development agreement consistent with RCW 36.708.170 and LSMC 14.16C.055.

(b) A development agreement may also include alternative mitigation measures proposed by an applicant, provided that such alternative measures shall provide mitigation that is equivalent to or better than that identified in the Planned Action EIS. The determination that mitigation measures are equivalent shall be made by the SEPA Responsible Official.

(5) If a project is determined to not qualify as a Planned Action, the SEPA Responsible Official shall so notify the applicant and prescribe a SEPA review procedure consistent with the City's SEPA regulations and the requirements of state law. The notice shall describe the elements of the application that result in failure to qualify as a Planned Action.

(6) Projects that fail to qualify as Planned Actions may incorporate or otherwise use relevant elements of the Planned Action EIS, as well as other relevant SEPA documents, to meet their SEPA requirements. The SEPA Responsible Official may limit the scope of SEPA review for the non-qualifying project to those issues and environmental impacts not previously addressed in the Planned Action EIS.

<u>SECTION 4</u>. Monitoring and Review.

A. The City shall monitor the progress of development in the designated Planned Action Area to ensure that it is consistent with the assumptions of this ordinance and the Planned Action EIS regarding the type and amount of development and associated impacts, and with the mitigation measures and improvements planned for the Downtown Lake Stevens Planned Action Area.

B. This Planned Action Ordinance shall be reviewed by the SEPA Responsible Official when development within the Planned Action Area is approaching maximum threshold levels or no later than five years from its effective date to determine the continuing relevance of its assumptions and findings with respect to environmental conditions in the Planned Action Area, the impacts of development, and required mitigation measures. Based upon this review, the City may propose amendments to this ordinance or may supplement, addend or amend the Planned Action EIS.

SECTION 5. Conflict. In the event of a conflict between this Ordinance or any mitigation measure imposed thereto, and any ordinance or regulation of the City, the provisions of this ordinance shall control.

SECTION 6. Severability. If any section, clause, phrase, or term of this ordinance is held for any reason to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance and the remaining portions shall be in full force and effect.

SECTION 7. Effective Date and Publication. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall take effect and be in full force five days after the date of publication.

PASSED by the City Council of the City of Lake Stevens this July 10, 2018.

____
John Spencer, Mayor

ATTEST/AUTHENTICATION:

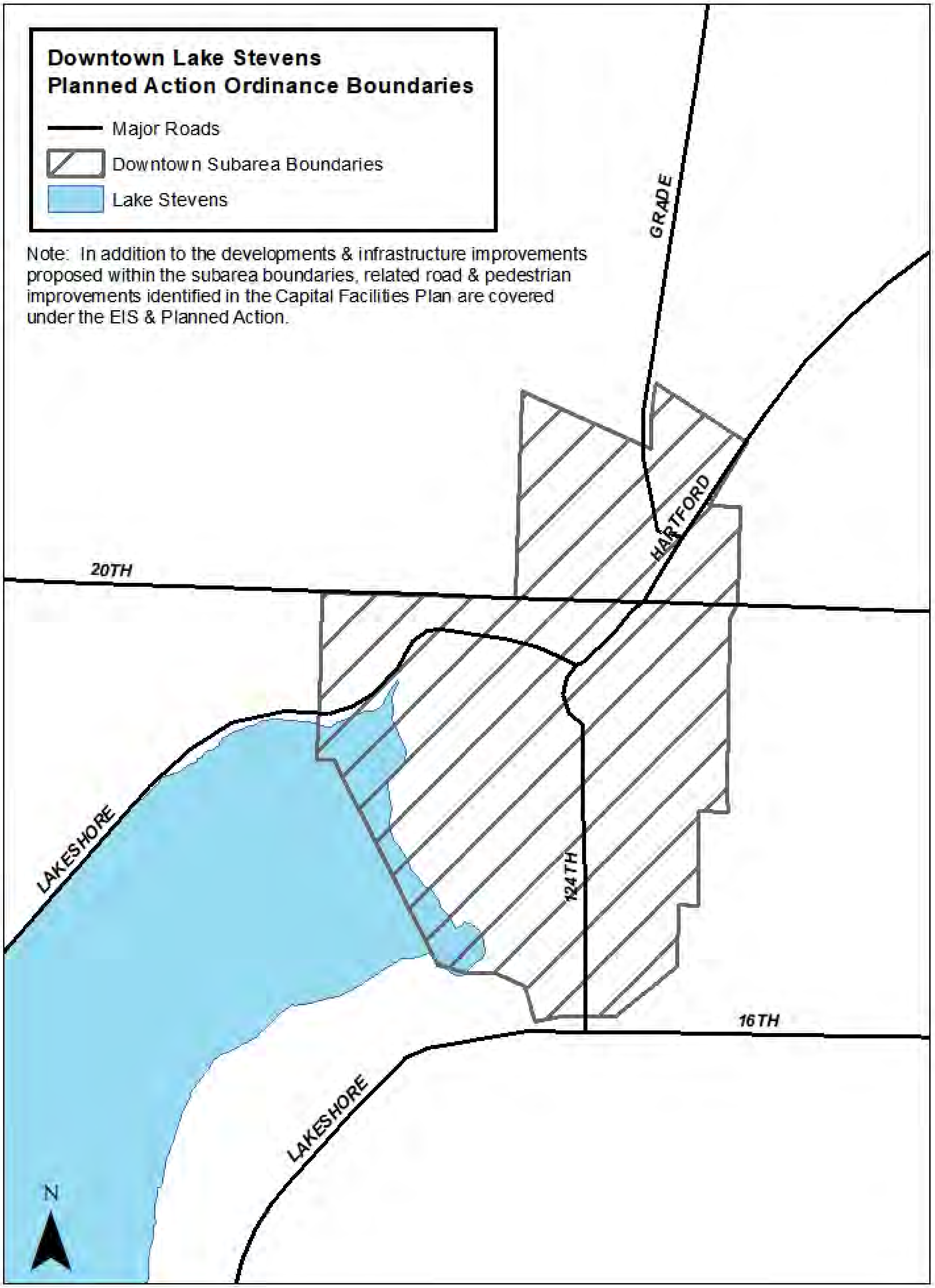
By:________________________________
Kathy Pugh, City Clerk

APPROVED AS TO FORM:

____
Grant K. Weed, City Attorney

First Reading: June 26, 2018
Second and Final Reading: July 10, 2018
Published:
Effective Date:

EXHIBIT A – DOWNTOWN LAKE STEVENS PLANNED ACTION AREA



Note: In addition to the developments & infrastructure improvements proposed within the subarea boundaries, related road & pedestrian improvements identified in the Capital Facilities Plan are covered under the EIS & Planned Action.

EXHIBIT B
DOWNTOWN LAKE STEVENS SUBAREA PLAN PLANNED ACTION ORDINANCE MITIGATION MEASURES

In compliance with the State Environmental Policy Act (SEPA), the City of Lake Stevens prepared and published draft and final environmental impact statements (collectively "the Planned Action EIS") for the Lake Stevens Center Subarea Plan. The Planned Action EIS identifies significant impacts to the environment that would occur because of future growth in the subarea, along with mitigation measures that would avoid, reduce, minimize or compensate for those impacts. The City will designate the subarea as a Planned Action for purposes of future environmental review, consistent with the requirements of RCW 43.21C.031 and WAC 197-11-164 et seq.

This exhibit to the Planned Action Ordinance summarizes mitigation measures identified in the Planned Action EIS. The Planned Action EIS should be reviewed to understand the full context of measures for each element of the environment. As part of its review of future development proposals within the Planned Action Area (Exhibit A), and to determine whether such proposals qualify as planned actions, the City will review the measures identified herein and require them as conditions of approval.

It should be noted that some mitigation measures identified in the Planned Action EIS have already been accomplished (such as adoption of a Planned Action Ordinance) and are not included in this exhibit. References are provided for measures that rely on adopted provisions of the Lake Stevens Municipal Code. In addition, while most mitigation measures identified in the Planned Action EIS apply to development projects (public or private), a few provide direction to the City for future planning and regulatory programs. The City will consider these as part of its ongoing planning processes, including any required monitoring.

1. Natural Environment

A. Earth

Applicable Regulations and Commitments

- ***Geological Assessments Required:*** The City's critical area regulations require a geological assessment for any development proposal within 200 feet of a designated geologically hazardous area. Geological assessments must contain an analysis of the potential impacts to geologically hazardous areas resulting from the proposed development and identify appropriate mitigation measures to protect development and the geologically hazardous area per LSMC 14.88.630.
- ***Native Growth Protection Area:*** LSMC 14.88.670 requires developers to place geologically hazardous areas and buffers not approved for alteration in a native growth protection area. Lawfully altered geologically hazardous areas are subject to a covenant of notification and indemnification/hold harmless agreement.
- ***Erosion Control Measures Required:*** Chapter 14.50 LSMC requires the implementation of sedimentation and erosion control measures for any development that would entail land disturbance. The Public Works Director must review and approve erosion control plans.

B. Air Quality

Mitigation During Construction

Although significant air quality impacts are not anticipated due to construction, contractors will be required to comply with all relevant federal, state, and local air quality rules. In addition, implementation of best management practices will also reduce emissions related to construction. The city will consider best management practices to minimize the potential air quality impacts during development review including measures for reducing exhaust emissions and fugitive dust. Possible control measures that will be considered include the following:

- Use only equipment and trucks that are maintained in optimal operational condition
- Require all off-road equipment to have emission reduction equipment (e.g., require participation in Puget Sound Region Diesel Solutions, a program designed to reduce air pollution from diesel, by project sponsors and contractors)
- Use bio diesel or other lower-emission fuels for vehicles and equipment
- Use car-pooling or other trip-reduction strategies for construction workers
- Implement restrictions on construction truck and other vehicle idling (e.g., limit idling to a maximum of 5 minutes)
- Spray exposed soil with water or other suppressant to reduce emissions of particulate matter (PM) and deposition of particulate matter
- Pave or use gravel on staging areas and roads that would be exposed for long periods
- Cover all trucks transporting materials, wetting materials in trucks, or providing adequate freeboard (space from the top of the material to the top of the truck bed), to reduce particulate matter (PM) emissions and deposition during transport
- Provide wheel washers to remove particulate matter that would otherwise be carried *off*

  site by vehicles to decrease deposition of particulate matter on area roadways
- Remove particulate matter deposited on paved, public roads, sidewalks, and bicycle and pedestrian paths to reduce mud and dust; sweep and wash streets continuously to reduce emissions
- Cover dirt, gravel, and debris piles as needed to reduce dust and wind-blown debris
- Stage construction to minimize overall transportation system congestion and delays to reduce regional emissions of pollutants during construction.

Mitigation During Operation

The air quality analysis indicates that the alternatives would not result in any significant adverse air quality impacts in the subarea. Consequently, no operational impact mitigation measures are warranted or proposed.

C. Water Resources

Applicable Regulations and Commitments

- *Stormwater Management:* The City's municipal code requires the use of natural drainage systems to the extent feasible to preserve natural topography (Chapter 14.50 LSMC). The Code also requires all new stormwater drainage systems to be constructed in accordance with the requirements of the Department of Ecology's *2014 Stormwater Management Manual for Western Washington* (Chapter 11.06 LSMC).
- *NPDES Phase II Municipal Stormwater Permit:* The current Western Washington Phase II Municipal Stormwater Permit was issued in 2012 and amended in 2014 to implement the requirements of the Clean Water Act and the National Pollutant Discharge Elimination System as codified in Chapter 11.06 LSMC. Local jurisdictions covered under the permit, including the City of Lake Stevens, are required to develop a stormwater management program designed to reduce the discharge of pollutants and protect water quality. In accordance with the requirements of the permit, the City of Lake Stevens has adopted a stormwater management plan focused on public education and outreach, detection and elimination of illicit stormwater discharge, controlling runoff generated by new development activities, and prevention of pollution resulting from municipal activities. Continued implementation of the measures contained in the stormwater management program would reduce pollutant loading and improve water quality in the City's lakes, streams and wetlands.

- *Critical Areas Regulations:* The Lake Stevens Center Subarea contains varied critical areas, including wetlands and streams (Fish and Wildlife Conservation Areas). Future development will be subject to the adopted critical areas regulations found in Chapter 14.88 LSMC, including all applicable protection standards, mitigation requirements and mitigation sequencing procedures. Wetland mitigation is required to take the form of in-kind replacement of the impacted wetland functions and values whenever possible, and replacement wetlands must adhere to the design requirements of LSMC 14.88.840, including performance standards and mitigation ratios.
- *Floodplain Development Permit*: Developers are required to acquire a Floodplain Development Permit for construction and/or development activities within the floodplain.

Additional Mitigation Measures

- *Stormwater Detention:* For properties adjacent to identified wetlands and associated buffers, new development and redevelopment shall not result in an increased rate of runoff from the site to the wetland. To prevent alteration of established hydrologic wetland processes, the municipal code requires stormwater to be either detained or infiltrated onsite.
- *Low Impact Development (LID):* The City has incorporated incentives in development regulations (Chapter 14.38 LMSC) to encourage the use of LID techniques to reduce stormwater impacts. LID techniques could include bioretention and tree box filters.
- *Critical Areas:* More detailed analysis will be required for future projects that occur on sites containing critical areas – including full delineation, classification and functional assessment – in conjunction with development permitting. The standards and mitigation requirements of the City's critical area regulations (Chapter 14.88 LSMC) will be applied to such development.
- *Wetland Mitigation Banking:* LSMC 14.88.840 allows the use of credits from an approved wetland mitigation bank to compensate for unavoidable impacts to wetlands. Per LSMC 14.88.840(a)(5), projects using mitigation bank credits must be consistent with the replacement ratios specified in the mitigation bank's certification. If mitigation credits are not available and establishment of a separate mitigation bank is not feasible, the City could encourage preservation and enhancement of these areas in exchange for increased development potential in other portions of the site or subarea.

D. Plants & Animals

Applicable Regulations and Commitments

- *Endangered Species Act (ESA, 16 U.S.C. 15311544):* The ESA provides for the conservation of threatened or endangered plant and animal species and their habitat. Any action taken, authorized, or funded by a federal agency is subject to review by the U.S. Fish and Wildlife Service (USFWS) or the U.S. National Oceanic and Atmospheric Administration (NOAA). The ESA also prohibits “taking” of any listed species.
- *Washington State Water Pollution Control Act (90.48 RCW)*: Chapter 90.48 of the Revised Code of Washington (RCW) prohibits discharge of any material that causes pollution into waters of the state. The Act applies the Washington Department of Ecology standards for Clean Water Act Section 404 permits to projects without a federal nexus.
- *Critical Areas Regulations:* Future development in the Subarea has the potential to adversely affect plants and animals through clearing of vegetated areas. Chapter 14.88 of the Lake Stevens Municipal Code regulates development activities that occur in environmentally critical areas, including valuable vegetation, fish and wildlife habitat; geologically hazardous areas; wetlands; streams; frequently flooded areas; and fish and wildlife conservation areas. Development within a designated critical area is subject to additional development standards designed to preserve and protect sensitive natural resources from human influence.
- *Tree Retention:* The City's land use code (LSMC 14.76.120) requires every development to retain significant trees and stands of trees that occur on the development site unless such

retention would create an unreasonable burden on the developer or create a safety hazard. The code requires that significant trees removed as part of a development project be replaced, and that retained and replanted trees be protected during construction.

E. Public Services

Applicable Regulations & Commitments

All development will be required to comply with existing regulations related to emergency access, fire suppression systems, and payment of school and park impact mitigation fees.

F. Aesthetics

Visual Character

- *Development Regulations:* Proposed zoning regulations and design guidelines to implement the subarea plan would address appropriate uses, height, setbacks, and similar development parameters. The code also includes incentives, such as bonuses in height or intensity, in exchange for incorporating a menu of public amenities in new development. Standard landscaping requirements have been modified to create the desired character for development sites, roads, and for sidewalks and trails. Existing tree protection/replacement requirements ensure the subarea maintains a desirable amount of vegetative cover.
- *Design Guidelines*: Proposed subarea-specific design guidelines will ensure that future development achieves a cohesive visual character and high-quality site planning, building design, lighting and signage.

Views

- *Park & Open Space Planning:* The City will update its Parks & Open Space Plan to address parks and open space needs created by planned residential growth in the Lake Stevens Center Subarea. In conjunction with future parks planning, the City may identify new parks or open space areas that provide view opportunities of scenic landscape features. Proposed development regulations also provide incentives for the creation of public spaces in the subarea.
- *Design Guidelines*: In coordination with planning new parks and open spaces and identifying potential viewpoints, the City could consider adopting guidelines that identify when and how site plans or building design can incorporate elements to protect views from parks and other public spaces.

Light & Glare

- *Design Guidelines:* Design guidelines to implement the subarea plan could provide guidance on avoiding light spillage, glare and shadow impacts though site planning, building design and landscaping. The guidelines and standards would specifically address lighting and signage.

G. Transportation

Concurrency

The Growth Management Act (GMA) includes provisions, referred to as "concurrency," to ensure sufficient public facilities are available for new development. GMA requirements include: (1) adopting Transportation and Capital Facilities elements in local Comprehensive Plans that identify facilities needed to accommodate projected growth and to establish a funding program to construct the necessary improvements; (2) establishing level of service (LOS) standards as a measure to determine a project's impact potential; (3) adopting policies that require either denying permits for projects that exceed the LOS standard, modifying the LOS standard, or modifying the land use. Changes may be made to a development proposal to enable it to meet the concurrency requirements, such as by reducing project size, employing travel demand management to reduce the number of trips generated, or financing the needed improvements.

Level of Service Threshold

The Comprehensive Plan establishes LOS standards for intersections in the City. The City sets LOS E as the standard for acceptable operation along arterials and collectors, and LOS C as the standard for acceptable operations on local access roads.

Impacted Intersections and Necessary Road Improvements

The EIS identifies that the west leg of the 20th Street NE/Main Street intersection may be deficient (i.e., fall below LOS E operations) during the PM peak hour for the Preferred Concept.

To mitigate delay and improve the LOS at this intersection, several potential improvements were examined, including signalization of the intersection or construction of a roundabout along with expanded turn pockets that would improve the intersection's level of service and provide pedestrian phases and crosswalks across all legs of the intersection. These improvements would need to be compatible with the plans to create a pedestrian and bicycle friendly environment along Main Street and to enhance it as a retail destination for the community. As stated in the Fehr and Peers traffic analysis (April 30, 2017), the overall intersection delay is expected to be within the City's adopted standard; these are simply potential improvements if the City finds the westbound delay to be an issue. The primary challenge to adding turn pockets or a roundabout at this intersection relates to the adjacent buildings and the culvert on the east side of Main Street. Expansion of the roadway may require right of way acquisition and potentially a new or expanded culvert over the creek.

The westbound leg of the intersection at Main Street/20th Street NE, within the downtown subarea, may fall below the defined LOS standard in 2035. Over the plan horizon, it is reasonable to accept a reduced LOS standard for the PM peak at this intersection because of physical constraints and given the vision for a mixed-use district that functions as a local and regional destination, with multimodal transportation elements that emphasizes safe pedestrian amenities to maintain the character of the district.

Other improvements that may be required, included a controlled intersection at 18th Street NE and Main Street; expansion of roadways and pedestrian amenities throughout and connected to the subarea as identified in the capital facilities plan; and an improved intersection at Grade Road and SR-92. The Grade Road / SR-92 intersection will be reviewed under a separate SEPA application.

Traffic Impact Fees

Implementing the improvements described above will require a substantial investment of money. To help address identified impacts, and to generate the funds necessary to implement the mitigation measures described above, the City will update its traffic impact fee program (Chapter 14.112), as authorized by RCW 82.02.050. This citywide program will establish fees within a traffic impact zone including the Downtown Lake Stevens Subarea.

Transportation Demand Management

Transportation demand management (TOM) strategies include commute trip reduction programs and enhanced transit service. The City would consider a commute trip reduction program when a qualifying employer develops within the City. Proposed development regulations also include incentives for alternative or high-efficiency transportation modes (LCMS 14.38.050).

H. Utilities

Drainage

Applicable Regulations and Commitments

- *Ecology Stormwater Manual:* The City has adopted the Department of Ecology's 2012 Stormwater Management Manual for Western Washington as its minimum design standard for stormwater infrastructure. All development meeting the minimum thresholds is required to design associated stormwater infrastructure to be consistent with these standards.
- *City* of *Lake Stevens Stormwater Ordinance:* Chapter 11.06 of the Lake Stevens Municipal Code adopt the Department of Ecology's 2005 Stormwater Management Manual for Western

Washington. Any project that meets or exceeds the thresholds defined in the manual for new impervious area, drainage system modifications, or redevelopment is subject to City review and permit approval.

- *Low Impact Development:* The City's stormwater ordinance identifies Low Impact Development (LID) solutions, as defined and listed in the LID Technical Guidance Manual for Puget Sound, that are acceptable and encourages alternative standards for management of stormwater. In addition, proposed development regulations provide an incentive for the use of LID techniques (Chapter 14.38 LSMC / Chapter 11.06 LSMC).

Water

Applicable Regulations and Commitments

- *Supply Upgrades:* Snohomish County PUD's *2011 Water System Plan* identifies necessary capital improvements to provide adequate water supply for the next 20 years.
- *Storage Upgrades:* The PUD's *2011 Water* System *Plan* identifies the following planned and budgeted capital improvements to storage capacity:
- *Distribution Upgrades:* The PUD's ongoing water main replacement program annually evaluates aging pipes for replacement with a focus on the replacement of galvanized iron/steel and asbestos cement pipes.
- *Joint Planning with Snohomish County PUD:* The City should consult with Snohomish County PUD to establish a joint planning process to identify and implement capital improvements necessary to serve anticipated development in the subarea.
- *Design Review for Fire Flow:* The City and developers will coordinate review of development applications with Snohomish County PUD and the Lake Stevens Fire Marshal to determine specific fire flow requirements based on project type, intensity and design. Upgrades to existing lines will be coordinated with the Snohomish County PUD. Installation of new water lines adequate to provide required fire flows shall be the responsibility of the developer, in accordance with the fire flow design thresholds established below.
    - <u>Commercial. Office. and High-Density Residential</u>: 12-inch pipes and 3,000 gpm.
    - <u>Existing Medium and Low-Density Residential Areas</u>: 8-inch pipes and 1,500 gpm.
    - <u>All Other Areas and Development Types</u>: 10-inch pipes and 2,000 gpm.

Sewer

Applicable Regulations and Commitments

- *Planned Capital Improvements:* The Lake Stevens Sewer District adopted updates to its Comprehensive Plan in 2016, describing the capital improvements planned for the near future.
- *Joint Planning with Lake Stevens Sewer District:* The City and the Lake Stevens Sewer District should establish a joint planning process to identify and implement capital improvements necessary to serve anticipated development in the subarea, including new wastewater collection infrastructure and future expansions to the new treatment plant that may be necessary to accept projected flows from development under the subarea plan.
- *Design Review for Wastewater Flows and Loads:* Because planned improvements to the wastewater system will be implemented in phases over several years, the Planned Action should establish size thresholds for new development that, when met or exceeded, would require developers to initiate consultation with Lake Stevens Sewer District. Consultation would confirm that projected wastewater flows and loads from any proposed project would not exceed the treatment or conveyance capacity of the wastewater system existing at that time.

I. Historic and Cultural Resources

Proposed development that could impact properties in the study area that are listed on national, state, or local historic registers must comply with Historic and Archaeological Resources code (Snohomish County Code Chapter 30.32D).

Archaeological testing must be completed for proposed projects that involve significant excavation or any changes made to the vegetation and landforms near existing waterways in the study area. Archaeological project monitoring is suggested for subsurface excavation and construction in these high probability areas. Complete a Washington State Historic Property Inventory form for each of the 22 buildings that meet the 50-year threshold. Carry out an archaeological survey within North Cove Park, if findings occur, consult DAHP and potentially require monitoring during construction relating to ground disturbance.

Applicable Regulations & Commitments

Under state law (RCW 27.53), prehistoric archaeological sites are protected in all cases. Historic archaeological sites must be determined eligible for listing in the Washington Heritage Register (WHR) (RCW 27.34.220) or National Register of Historic Places (NRHP) before they are considered protected. DAHP will make a final determination whether the resource is eligible or not eligible for register listing. If a resource that is considered protected cannot be avoided, the project proponent must apply for an archaeological excavation permit from DAHP (WAC 25-48-060) to conduct any activity that disturbs the site. DAHP will then provide the archaeological excavation permit application for review to the appropriate stakeholders and Tribes.

Under state law (RCW 27.44), archaeological resources identified during construction would need to be evaluated. If the resources are considered significant, any impacts on archaeological resources would require mitigation, which would likely entail archaeological investigation such as scientific excavation and analysis. For archaeological resources found during construction, an emergency archaeological excavation permit may be issued by DAHP and is typically received within three business days. It is possible that archaeological monitoring would be recommended for portions of the project; this work would be conducted under an Archaeological Resources Monitoring Plan.

J. Noise

Applicable Regulations & Commitments

Current city regulations that address daytime/ nighttime construction and noise limits and implementation of control plans during occurrence of construction activities.

New development in the subarea must adhere to noise standards used by WSDOT if state or federal funds are used.

K. Land Use

Many of the land use changes identified in the EIS- including increased density/intensity and a greater diversification and mix of land uses – are not considered adverse impacts. The change in the subarea's overall land use pattern would be minor and does not require mitigation.

Potential land use conflicts, between proximate land uses of different intensity are addressed in proposed subarea land use regulations and design guidelines and can be mitigated through site plan review. For example, height, bulk, and setback requirements address potential conflicts between commercial and residential land uses. Landscaping requirements will also help buffer and screen land uses of dissimilar intensity or scale. Proposed design guidelines provide approaches to site planning and building design that will reduce a range of potential impacts. These techniques are incorporated into subarea land use regulations (Chapter 14.38 LSMC).

CITY OF LAKE STEVENS
NOTICE OF PUBLIC HEARING
Development Agreement

PROJECT NAME/ FILE NUMBER:	Lakeview Flats Development Agreement / LUA2022-0036
APPLICANT:	Lakeview Flats, LLC
PROJECT LOCATION:	1800 Main Street, Lake Stevens, WA 98258 (Parcel No. 00553800003100)
DATE OF APPLICATION:	March 7, 2022
HEARING DATE / TIME:	May 24, 2022 / 6:00 pm
LOCATION:	City of Lake Stevens Council Chambers; The Mill Building 1808 Main Street, Lake Stevens, WA 98258 and/or by Zoom Meeting. For Zoom Meeting information, please see the City Council Agenda on the City's website.

PROPOSED PROJECT DESCRIPTION:
The Development Agreement application provides the opportunity for the City and Lakeview Flats LLC to agree on the scope and timing of future development of the 0.34-acre site, applicable regulations and requirements, and other matters relating to the development process. The applicant is proposing to construct a three-story mixed-use building, which will be reviewed pursuant to the approved Development Agreement and applicable city codes. A development agreement is a Type VI permit which requires action from the City Council following a public hearing.

PUBLIC REVIEW AND COMMENT:
Interested parties may submit written comments before the hearing or testify in person. Comments can be submitted to City Hall, Attn: Russ Wright, PO Box 257, Lake Stevens, WA 98258 or by email at rwight@lakestevenswa.gov. Persons who submit written or oral testimony may appeal the decision.

The project file, including the staff report, site map and recommendations is available for review at City Hall, Monday-Thursday 9am to 4pm and Friday 8am to 12pm. Limited materials are available at: Current Planning | Lake Stevens, WA - Official Website (lakestevenswa.gov)

It is the City's goal to comply with the American with Disabilities Act. The City offers its assistance to anyone with special needs, including the provision of TDD services.

Distribution: Applicant
Published in Everett Herald

CITY OF LAKE STEVENS

NOTICE OF PLANNED ACTION CERTIFICATION

Project Name: Lakeview Flats, LLC

Project Location: 1800 Main Street, Lake Stevens, WA 98258 / APN # 00553800003100

Project File No's.: LUA2022-0036: Development Agreement, LUA2022-0069: Administrative Design Review, and LUA2022-0070: Construction Plans

Applicant: Brian Lewandowski, Lakeview Flats, LLC

Proposed Project Description: The applicant is proposing to construct a 17,128 square foot, three-story mixed-use building at 1800 Main Street. This application is consistent with the Downtown Subarea Planned Action Ordinance and thereby qualifies as a Planned Action pursuant to Lake Stevens Municipal Code (LSMC) 14.38.120. This notice serves as the threshold determination under the State Environmental Policy Act (SEPA) for the development agreement and implementing permits. Under the Planned Action development thresholds, this proposed project uses six dwelling units, 7,052 square feet of retail area and will generate 39-new PM peak hour trips.

Permits Required: Development Agreement approval, administrative design review, construction plan approval, building and right-of-way use permits.

Dates of Application: March 7, 2022, April 28, 2022 and May 6, 2022

Notice of Complete Application Issued: May 18, 2022

Planned Action Determination Issued: May 18, 2022

Lead Agency:

The city of Lake Stevens, acting as lead agency for this proposal, has determined that this project does not have a probable significant adverse environmental impact and qualifies as a Planned Action under the Downtown Subarea EIS following review of an environmental checklist and other information on file.

Comment Period: There is no comment period for this Planned Action Certification. Please contact Christi Schmidt, Senior Planner with any questions at 425-622-9438 or by email at cschmidt@lakestevenswa.gov.

SEPA Responsible Official: Russell Wright ______________________ May 18, 2022

Russ Wright**,** Community Development Director, City of Lake Stevens Date
PO Box 257, Lake Stevens WA 98258

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Distribution: Applicant
Official City Notification Board (City Hall)
State Distribution List

CITY OF LAKE STEVENS
Lake Stevens, Washington

RESOLUTION NO. 2022-08

A RESOLUTION OF THE CITY OF LAKE STEVENS, WASHINGTON, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE BETWEEN THE CITY OF LAKE STEVENS (CITY), WASHINGTON, A MUNICIPAL CORPORATION, AND LAKEVIEW FLATS, LLC A LIMITED LIABILITY CORPORATION AND/OR ASSIGNS AND SUCCESSORS

WHEREAS, the Legislature, through RCW Sections 36.70B.170 through .210 has authorized the City to enter into development agreements; and

WHEREAS, the City owns a commercially zoned parcel of real property generally identified as 1800 Main Street, located at the intersection of Mill Spur (18th Street NE) and Main Street ("the Project Property"), legally described in **Exhibit A** and depicted on **Exhibit B** hereto. The Project Property is entirely within the Downtown Lake Stevens Subarea.

WHEREAS, the City adopted the Downtown Lake Stevens Subarea Plan (Downtown Plan) pursuant to RCW 36.70A.080, which identifies preferred land uses, establishes development thresholds and defines the necessary capital improvements for implementation of the Downtown Plan to increase the City's employment base and to promote economic development in this area.

WHEREAS, the property has a comprehensive plan designation of Downtown / Local Commerce and a zoning designation of Central Business District; and

WHEREAS, on March 07, 2022, Lakeview Flats, LLC applied for a Development Agreement (LUA2022-0036) for the Lakeview Flats Project; and

WHEREAS, the City and Lakeview Flats, LLC will enter into a Real Estate Purchase and Sale Agreement (PSA), where the City has agreed to sell real property to Lakeview Flats, LLC; and

WHEREAS, the city and Lakeview Flats, LLC will enter into a real estate Lease Agreement (with option to purchase), where the City has agreed to lease real property to Lakeview Flats, LLC; and

WHEREAS, Lakeview Flats, LLC and its successors and/or assigns, agree to all requirements, terms and conditions of the Development Agreement **Exhibit C**; and

WHEREAS, comprehensively evaluating the entire Lakeview Flats, LLC project and all associated improvements, the city's SEPA Official issued a Planned Action Certification for the Lakeview Flats, LLC Development Agreement and implementing actions including construction of the mixed-use building with commercial and residential uses, parking and related infrastructure improvements.

WHEREAS, LSMC 14.16C.055(c)(2) requires a Type VI Legislative Review process with no Planning Commission review; and

WHEREAS, a notice of the public hearing was duly noticed in the Everett Herald as required by LSMC 14.16B.630(b); and

WHEREAS, the City Council held a public hearing on May 24, 2022 to consider the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS AS FOLLOWS:

Section 1. Development Agreement between the city of Lake Stevens, Washington, a Washington Municipal Corporation, and Lakeview Flats, LLC, a Washington Limited Liability Corporation and its Successors and/or Assigns, which is attached hereto and incorporated by reference as **Exhibit C**, together with the attached real estate purchase and sale agreement and the attached real estate lease agreement is hereby approved. The Mayor is authorized to sign said documents and other documents necessary for the sale and lease of the described city property to Lakeview Flats, LLC

Section 2. SEPA. The City has met SEPA requirement pursuant to Chapter 197-11 WAC and Chapter 16.04 LSMC and Ordinance 1027.

Section 3. Findings. The approval of the Development Agreement is based upon the following specific findings required by section 14.16.055(d).

Decision Criteria

(1) The proposed agreement is compatible with the goals and policies of the Comprehensive Plan;

The proposal is consistent with several goals and policies of the 2015-2035 Lake Stevens Comprehensive Plan and the Downtown Lake Stevens Subarea Plan, including but not limited to the following:

Land Use Element

Goal 2.1 *Provide sufficient land area to meet the projected needs for housing, employment and public facilities within the city of lake stevens.*

- ***Policy 2.1.4*** *Direct new growth to areas where infrastructure and services are available or planned to ensure growth occurs in a fiscally responsible manner to support a variety of land uses.*
- ***Policy 2.1.5*** *Coordinate land use decisions with capital improvement needs for public facilities including streets, sidewalks, lighting systems, traffic signals, water, storm and sanitary sewer, parks and recreational facilities, cultural facilities and schools.*

Goal 2.4 *Encourage the continued planning of local growth centers to develop a balanced and sustainable community that provides a focus for employment, public, and residential development.*

Goal 2.5 *Continue to support the redevelopment of Downtown Lake Stevens that encourages a compact commercial district that facilitates easy pedestrian access between shops and buildings, allows mixed-use development, promotes economic development compatible with the character of lake stevens and stimulates a diverse array of business types to attract visitors and meet the needs of residents.*

- ***Policy 2.5.2*** *Emphasize high-quality design, pedestrian orientation and integrated flexibility in the redevelopment of downtown Lake Stevens.*

Goal 2.14 *Design and build a healthy community to improve the quality of life for all people who live, work, learn, and play within the city.*

- ***Policy 2.14.6*** *Develop high quality, compact urban communities throughout the region's urban growth area that impart a sense of place, preserve local character, provide for mixed uses and choices in housing types, and encourage walking, bicycling, and transit use*

Economic Development Element

Goal 6.1 *Improve the city's economic conditions for a healthy, vibrant, and sustainable community with a high quality of life.*

Goal 6.2 *Manage commercial growth in centers.*

Goal 6.3 *Enhance retail and personal services growth to address the community's needs and expand the city's retail sales tax base.*

- ***Policy 6.3.4*** *Create destination shopping experiences where feasible, such as downtown, that take advantage of the community assets.*

Goal 6.4 *Support employment growth in the city.*

Goal 6.6 *Participate and foster public and private partnerships.*

Goal 6.*7 Provide a predictable development atmosphere.*

Capital Facilities Element

Goal 9.3 *Development shall bear its fair share of costs of providing public facilities at the adopted levels of service.*

- ***Policy 9.3.2*** *Appropriate funding mechanisms for developments' contribution of a fair share of other public facility improvements [such as recreation, drainage and solid waste] will be considered for implementation as the city develops them.*

Goal 9.4 *Provide needed capital improvements to maintain adopted levels of service.*

Downtown Lake Stevens Subarea Plan

Goal 1: *Dramatically upgrade the appearance, function, identity and economic value of the area*

- ***Policy 1.3.2*** *The city shall apply design guidelines to new construction and substantial alterations within adopted subareas to reinforce the desired identity of the area and encourage the efficient use of developable land. The application of cohesive design guidelines will promote a consistent quality of development and support the goals and policies of the subarea plan.*
- ***Policy*** *1.5.1 Modify or adjust streetscape standards throughout the downtown that are consistent with the Section 2. Street Hierarchy of the Downtown Lake Stevens Subarea Plan as designated for the following street types consisting of retail streets, 'front door' entry streets, downtown streets and neighborhood connectors.*

Goal 2: *Establish downtown as a vibrant mixed-use destination and central gathering space for the community*

- ***Policy 2.2.1*** *Encourage a concentration of street-oriented retail that will establish Main Street as a local and regional destination for shopping, dining and lakefront activities...*
- ***Policy 2.2.2*** *Development should front Main Street and 18th Street NE to form an active street edge that supports a pedestrian friendly public realm. Primary building access will be from the street rather than directly from internal parking areas.*

- ***Policy 2.2.4*** *Fewer spaces or shared parking should be fostered. Where parking lots are built, parking will be required to be located behind or to the side of buildings.*
- ***Policy 2.3.4*** *On the community/ conference facility block active ground-floor retail storefronts would be required along Main Street and 18th Street NE (Extension) frontage. At the northwest corner of 18th Street NE and 125th Avenue NE active ground floor commercial or office storefronts would be required*

Goal 3*: Encourage a mix of uses, including retail, office, entertainment, institutional, civic, tourism and residential throughout the subarea that support the redevelopment of older properties into a more vibrant, intense and diverse center.*

- ***Policy 3.21*** *Encourage multistory story buildings within mixed-use areas, core retail areas and multifamily developments consistent with the proposed building typologies.*

Goal 6*: Invest in and/or plan for public and semi-public opens spaces to attract high-quality residential and employment development throughout the subarea*

- ***Policy 6.2.1*** *Encourage development to provide public or semi-public plazas, courtyards and gardens adjacent to public streets, parks or open space areas.*

(2) The proposed agreement is consistent with applicable development regulations;

The development agreement is consistent with applicable development regulations and sets vesting standards for the project. The project will meet current development regulations or any allowed modifications.

(3) The proposed agreement provides for adequate mitigation of adverse environmental impacts; provided, that if the development is not sufficiently characterized at a project level, the agreement shall provide a process for evaluating and appropriately mitigating such impacts in the future; and

The Development Agreement sets out a conceptual strategy for mitigation of the potential impacts to the built and natural environment from the development. At the project level (i.e., during the review of construction and building permits) all mitigation documents must be finalized.

(4) The proposed agreement reserves authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

The development agreement explicitly provides a provision reserving the city's authority to impose new or different regulations.

Contents: *The proposed development agreement includes the minimum provisions required by RCW 36.70B.170 through 36.70B.210 and other measures as allowed under LSMC 14.16C.055(e).*

Recording: *The Development Agreement will be recorded upon execution.*

Modification: *Any future modifications will follow the requirements of the LSMC.*

Section 4. Severability. If any section, sentence, clause or phrase of this resolution should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 5. Effective Date. This resolution shall take effect immediately upon passage by the Lake Stevens City Council.

PASSED by the City Council of the City of Lake Stevens this _______ day of ______________, 2022

____
Brett Gailey, Mayor

ATTEST/AUTHENTICATION:

____
Kelly Chelin, City Clerk

APPROVED AS TO FORM:

____
Greg Rubstello, City Attorney

Exhibit A
Legal Description

RENAS ADD TO LAKE STEVENS BLK 000 D-00 – LOTS 31-32 EXC E 12FT THOF DEEDED TO CO RECAF NO 962679

Tax Parcel ID No. 00553800003100

Commonly known as: 1800 Main Street, Lake Stevens, WA 98258-7712

<u>Related Parcels</u>

Parcel V of city of Lake Stevens Boundary Line Adjustment recorded under AFN 202110295003 as modified by city of Lake Stevens Right-of-way dedication recorded under AFN 20220110542

Exhibit B
Conceptual Site Plan

Exhibit C

Development Agreement