



Pierce County

Office of the Pierce County Hearing Examiner

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**STEPHEN K. CAUSSEUX, JR.**  
Pierce County Hearing Examiner

January 23, 2018

NASH Cascadia Verde, LLC, a.k.a., Newland Communities  
Attn: Scott Jones/Tom Uren  
505 South 336<sup>th</sup> Street, Suite 430  
Federal Way, WA 98003

**RE: Third Periodic Five Year Review: Response to Comments Status  
Update Report for the Cascadia (a.k.a. Tehaleh) Employment Based  
Planned Community Planned Unit Development (EBPC PUD)  
Application Number: 861967**

Dear Applicant:

Transmitted herewith is the Report and Decision of the Pierce County Hearing Examiner regarding your request for the above-entitled matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "SKC", written over a horizontal line.

**STEPHEN K. CAUSSEUX, JR.**  
Hearing Examiner

SKC/jjp

cc: Parties of Record

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**OFFICE OF THE HEARING EXAMINER**

**PIERCE COUNTY**

**REPORT AND DECISION**

**CASE NO.:** Third Periodic Five Year Review: Response to Comments  
Status Update Report for the Cascadia (a.k.a. Tehaleh)  
Employment Based Planned Community Planned Unit  
Development (EBPC PUD)  
Application Number: 861967

**OWNER:** NASH Cascadia Verde, LLC  
16701 S.E. McGillivray Boulevard, Suite 150  
Vancouver, WA 98683-3462

**APPLICANT:** NASH Cascadia Verde, LLC, a.k.a., Newland Communities  
Attn: Scott Jones/Tom Uren  
505 South 336<sup>th</sup> Street, Suite 430  
Federal Way, WA 98003

**ATTORNEY:** Gordon, Thomas, Honeywell, et al  
Attn: William T. Lynn  
P.O. Box 1157  
Tacoma, WA 98401

**PLANNER:** Robert Jenkins, Senior Planner

**SUMMARY OF REQUEST:**

Third Periodic Review of the Cascadia, a.k.a., Tehaleh, Employment Based Planned Community/Planned Unit Development required per Condition No. 129 of the June 18, 1999, approval of the Cascadia EBPC PUD by the Pierce County Hearing Examiner and by Section 6.14 of the September 8, 1999, Cascadia Development Agreement between the applicant and Pierce County. The Cascadia, a.k.a. Tehaleh, EBPC is located at the southern end of the Bonney Lake Plateau, south of 128th Street East and accessed via 198th Avenue East, in Sec. 16, the E 1/2 of Sec. 17, the NE 1/4 of Sec. 20, Sec. 21 and 22, the NW 1/4 of Sec. 23, and the NE 1/4 of Sec. 27, T19N, R5E, W.M., in Council District No. 1.

**SUMMARY OF DECISION:** Approved, subject to conditions.

**DATE OF DECISION:**

January 23, 2018

**PUBLIC HEARING:**

After reviewing the Planning and Public Works Staff Report and examining available information on file with the application, the Examiner conducted a public hearing on the request as follows:

The hearing convened on November 1, 2017, at 10:02 a.m.

Parties wishing to testify were sworn in by the Examiner.

The following exhibits were submitted and made a part of the record as follows:

- EXHIBIT "1" - Planning and Public Works Staff Report**
- EXHIBIT "2" - Application**
- EXHIBIT "3" - Agency Comments**
- EXHIBIT "4" - Agent Correspondence**
- EXHIBIT "5" - Public Comments**
- EXHIBIT "6" - Notice and Routing Documents**
- EXHIBIT "7" - Reports and Studies**
- EXHIBIT "8" - Hearing Examiner Decisions**
- EXHIBIT "9" - County Council Decisions**
- EXHIBIT "10" - Site Information**
- EXHIBIT "11" - Power Point Presentation**
- EXHIBIT "12" - Memo dated November 1, 2017 from Paul Barber**
- EXHIBIT "13" - Letter dated October 30, 2017 from Stefan Kamieniecki**
- EXHIBIT "14" - Stefanie Herzstein Resume**
- EXHIBIT "15" - Memo dated October 31, 2017 from Transpo Group**
- EXHIBIT "16" - Proposed Condition of Approval**
- EXHIBIT "17" - Tehaleh Power Point**
- EXHIBIT "18" - Marked up Page 10 of Staff Report**
- EXHIBIT "19" - Petition For Access Road**
- EXHIBIT "20" - Letter from City of Sumner dated November 15, 2017**
- EXHIBIT "21" - Memorandum from NASH Cascadia, Verde dated November 15, 2017**
- EXHIBIT "22" - Letter from William Lynn dated November 29, 2017**
- EXHIBIT "23" - Letter with Attachments from William Lynn dated December 13, 2017**

**The Minutes of the Public Hearing set forth below are not the official record and are provided for the convenience of the parties. The official record is the recording of the hearing that can be transcribed for purposes of appeal.**

ROBERT JENKINS appeared, presented the Planning Division Staff Report, and introduced Exhibit 11, his power point presentation. Since 2012 the entire Tehaleh site has been under one ownership. The original approval was in 1999 following preparation of an FEIS in August, 1998. Since that time a series of minor and major amendments have occurred. The project authorized 2,130 lots, 2,129 of which are single-family lots and the other a multi-family lot. A LOSS was completed in 2008, and the applicant is now constructing a permanent sewer plant. The applicant applied for a building permit for the plant in April, 2017, and anticipates a completion date in late 2018, and operation by 2019. Extensive building has occurred since 2000, and a new elementary school is under construction in the western portion of the overall site in the Berkley Park subdivision. The fire station was relocated to a more central area, and all utilities are present. The applicant has reached agreement with the fire district for improvements. The golf course and hotel presently remain as proposed uses, but the applicant proposes to eliminate both uses in Phase II. The commercial area consists of a sales office, coffee shop, and lodge consisting of a private club and restaurant associated with the Trilogy senior project. East of 198<sup>th</sup> the applicant is proposing a storage facility and commercial/industrial lots. Phase III was combined with Phase II utilizing a major amendment and SEIS. The County Council will require a development agreement for Phase II. Staff reviewed Tehaleh for compliance with conditions and found that while in compliance, staff has some issues to discuss. The quality of design was addressed by an approved manual, the latest version dated 2016. They have established a Tehaleh architectural review committee. In 2014 it was assumed that the balance of uses between commercial and residential would occur in a timely manner. The applicant needed to provide utilities and infrastructure to the commercial and industrial areas so that they would be ready for development. Said areas are either completed or scheduled to be completed by 2019, and Tehaleh is actively seeking development partners. The cities of Sumner and Bonney Lake express concern regarding the lack of significant employment opportunities, and as a result, request re-evaluation of traffic impacts. The Trilogy plats are age restricted to 55 plus in accordance with the Federal Act. In 2007 no bright line was established, but each use was individually evaluated. Staff desires the Hearing Examiner to provide guidance regarding traffic. The utilities meet all requirements and open space is appropriate. He desires an update for the park plan. Another issue is the location and approval of residential development. The plan requires 286 multi-family dwelling units and the applicant has requested that single-family units be allowed as an option in the multi-family zone. These would be condos or single-family dwellings on one lot. Such is an interim step to multi-family. He agrees that the multi-family market is not there. Staff's concern is that the applicant limits development so that they do not use the entire multi-family zoned area for detached homes. Staff wants a greater variety of residential opportunities. Staff recommends a change to allow single-family homes in the multi-family area subject to administrative review. Concerning open space and recreation, the applicant requests relief from the 120 foot wide buffer along arterials for better visibility into certain uses. These buffers also serve as habitat corridors and staff is reluctant to remove them. However, buffers should not be required in front of civic and commercial uses that need visibility. However, the residential uses need the buffer, and it must be provided in lieu of further environmental review. Staff would allow thinning and modification where appropriate.

PAUL BARBER, development engineer, appeared and testified that the applicant's request triggers a need for modification. All off-site road corridors are completed with the exception of 198<sup>th</sup> south of 120<sup>th</sup>. The threshold for road improvements are (1) the number of single-family dwellings and (2) p.m. peak trips. According to Exhibit L, 1,130 dwelling units is one trigger, and 2,716 trips is the peak hour trigger. They have not reached either trigger yet, but they are getting close. He introduced his Memorandum as Exhibit 12. Approximately 1,761 lots have been finally platted or are in the process. Allowing an increase in lots will allow the applicant additional time (such as a two year time frame) to solve the issues with 198<sup>th</sup>. Exhibit L is from the Development Agreement. The cities of Sumner and Bonney Lake request that traffic be reanalyzed at this time. However, Tehaleh is in the process of providing an SEIS that includes a re-analyzation of the intersections of concern. The applicant has kept track of p.m. peak trips that are now at 500 plus, well below the threshold of any trigger. Upon questioning by William Lynn, attorney at law representing Tehaleh, Mr. Barber testified that they now have two different triggers. The agreement does not say whether one or both must be met, but generally traffic is computed by the number of lots within plats. The traffic counts are not going along with the dwelling unit number. However, an age restricted lot counts as .42 of the trips generated by a regular lot. They probably have less commercial development than anticipated.

RORY GRINDLEY, County traffic engineer, appeared and testified that in 1999 a lot of dialogue occurred about homes and commercial development. A lot of issues arose as to access. The table is a compromise of traffic issues. It considers a combination of capacity, life, safety, and community needs. It also provides a development count and a total trip threshold. It allows commercial development traffic to be added. The applicant is approaching 1,130 dwelling unit trigger, and they have allowed a two year time frame latitude that will allow them to proceed. They are not approaching the capacity of 198<sup>th</sup>, but EVA is becoming an issue. Upon questioning by Mr. Lynn, Mr. Grindley testified that he resolved these issues for the alignment. They would have 80 percent of the road completed if the wetland permit is issued. Mr. Hanberg issued a Memorandum making it a high priority for both the County and the applicant to complete 198<sup>th</sup>.

STEFAN KAMIENIECKI, Pierce County Utilities, appeared and testified that no violation has been issued by any agency with jurisdiction. Everything is going very well. The applicant originally had a LOSS that handled many homes. It had multiple drainfields and came online in 2012. The new, interim facility is a box plant solution and will accommodate .2 million gallons a day and came online in 2016. Stage 2 is the final stage and it will have a permanent facility of 4.3 million gallons per day. This plant will serve the entire Tehaleh development and should come online in 2018. They have had a problem with a high nitrogen level in one drainfield and are trying to fix the problem. The box plant helps significantly to reduce the counts. They are now consistent at 10 milligrams per liter that is the target level. The box plant is working just fine, but they do have a higher level in one of the drainfields. They have contracted with a hydrogeologist to evaluate the issue and will continue to operate the plant, but they need to find why nitrogen levels are up in one area. No studies show any impact to Canyon Falls Creek.

MR. LYNN appeared and testified that Tehaleh is happy to report progress and introduced their case and people present.

SCOTT JONES, Newland Communities, appeared, presented a power point presentation, and testified they had their grand opening in 2012. Five years ago they opened for home sales and there was one building in Tehaleh. In 2016 the commercial is coming together. 198<sup>th</sup> is opened four lanes to 120<sup>th</sup>. They have met the 84 percent affordable requirement and have recently adjusted the housing to meet a lower price point. The wastewater treatment plant is under construction and the concrete poured. 38 percent of their home sales have been to millennials and 58 percent of owners have children, the same percentage as have dogs. Realtors are marketing the retail areas, and businesses are supported by Tehaleh. They have attracted several businesses. A 475 acre employment center is coming soon and they are totally committed to commercial uses. They have installed ten plus miles of trail and 40 acres of parks. Phase II will not cause a mega change, but will allow more refinement.

STEVE YESTER appeared and testified that Tehaleh is an ambitious project and he is the manager of their commercial real estate. The strength of their residential sales has shown an overcoming of concerns about the previous Cascadia. They are now refining the designs. They acquired Parcel O and are presently installing an RV park across 198<sup>th</sup>. It is a convenient industrial park that will include mini-storage. They have plans for expansion as the commercial area grows. They have RV storage and a club onsite. A contractor also maintains its offices there. They have two land sales pending, one of which is a half acre lot for a doggie daycare that now has about 100 clients. They need 5,000 square feet for a kennel with salon and are ready for a permit. The Business Park East is a \$10,000,000 project. They will have ten percent of the Phase I square footage. They have established a Tehaleh loyalty club and know that Sumner and Bonney Lake residents are talking about the Tehaleh effect. There are 20 plus home based businesses where commercial activity is a secondary use. A number of construction employees are also working from home here, and may continue working on Tehaleh for their full career. They could site a telecommunications company and have a letter of intent in hand. They are focusing on neighborhood retail and office space. Residents also want entertainment opportunities and a large meeting space. They are looking for expansion of the area. Employment will be the center of development on Phase II. Assuming approval, commercial and industrial uses are on track.

STEFANIE HERZSTEIN, traffic engineer, Transpo Group, introduced Exhibits 14 and 15 her CV and Memorandum. She performed previous studies in 1998 and 2013. The 1998 study projected 3,270 trips. In 2013 it was reduced to 2,847 off-site trips. They have been monitoring traffic since 2016. In September, 2017, they counted 537 off-site trips during the p.m. peak period that is lower than predicted in 1998 and 2013 as measured in vehicles per unit. The rate of vehicles per unit is less. Her conclusion is that the traffic impacts are less than projected in the previous studies. She does not believe additional mitigation is warranted for Phase I and her monitoring study is attached. They are now at

537 trips and all of Phase I is calculated at 2,503 trips. Also, 27 percent is construction traffic that allows a lower p.m. peak period. If no construction vehicles are considered, then their vehicle count is 537. If construction traffic is included, the trips jump to 2,661 per day.

JASON SULLIVAN, City of Bonney Lake, appeared and testified that the City is concerned with traffic. The EIS assessed inbound and outbound traffic and came up with a total of 3,200 versus a distinction between in and out. The issue is with inbound trips. The EIS also assumes that 16 percent of the people will work in Tehaleh. The businesses locating there so far don't employ many people. Many retail employees cannot afford housing. He wonders what is actually occurring. The Development Agreement contains very specific language. He referred to Condition 36. If the project is not meeting the traffic requirements, the County or any jurisdiction can request a further TIA. 43 percent is residential and they are no where close to 43 percent employment. The City therefore requests a Phase I TIA. He sees a significant concern in allowing the multi-family to change to single-family. They have different vehicle trip rates, but he doesn't know whether that would change the traffic. They don't want the change to Exhibit L. He supports the current thinking regarding the number of building lots. The trigger should remain. He does not want to compromise away all of their positions. The directionality of traffic also needs to be considered. He wants the record open to respond to the Transpo TIA. Concerning wastewater, the County wrote a letter regarding nitrate levels. We are building homes without infrastructure, and we should have such before homes are built. Upon questioning by Mr. Lynn, Mr. Sullivan responded that he was not provided Exhibit L from the County even though he requested it October 10. The employment goals assumed about 2,000 employees. The development of the employment area should be concurrent with residential. If it is not, then we need to reevaluate. The EIS is linked to the Development Agreement. The traffic volumes were set by the EIS.

RYAN WINDISH, City of Sumner, appeared and testified that the City's concern is also traffic congestion and other growth to the south. Many trips come through the City to avoid SR-410. We must plan around the traffic. He has had no chance to review the traffic memo and would also request two weeks. The City was under the assumption that a certain amount of employment would already be there. He appreciates the business buildings out there. The City continues to be concerned about traffic, especially on SR-410 and pass through. Upon questioning by Mr. Lynn, Mr. Windish has concerns about the back road traffic. Traffic studies normally take care of the back road traffic. Additional growth since 1999 should have taken into account the Tehaleh traffic.

JASON SULLIVAN reappeared and testified that the Development Agreement is linked with the EIS. Page 42 of the Development Agreement recognizes the EIS as project level. It provides for residential and nonresident uses. He referred to page 5 of Exhibit H. Traffic mitigation in the EIS was incorporated. He referred to paragraphs 33 and 36 that link the EIS and the Development Agreement together.

MS. HERZSTEIN reappeared and testified that more employment does not mean less traffic. If we only have residential traffic, only half of the trips are projected. We took into account residential and business traffic. If we have more employees, trips will increase. The traffic study includes not only employees, but also people using parks and other uses. Schools are also included in traffic counts as well as community uses. However, the inbound and outbound trips are both less than projected. The split was a compromise with the projected traffic as the report shows.

MR. GRINDLEY reappeared and drew a chart that demonstrates the overlap in traffic between residential and commercial.

MR. JONES reappeared and testified they are reducing trips within the commercial area.

MR. LYNN then reappeared and presented a closing statement on behalf of the applicant. He also requested two weeks to respond to the City's submittals.

MR. JENKINS reappeared and introduced Exhibit 17, a power point, and Exhibit 18, revisions to conditions. He wants a different condition on page, 14 and they have worked with the alleés in the past.

No one spoke further in this matter and the Hearing Examiner took the matter under advisement. The hearing was concluded at 1:14 p.m.

**NOTE:** A complete record of this hearing is available in the office of the Pierce County Planning and Public Works.

### **FINDINGS, CONCLUSIONS, AND DECISION:**

#### **FINDINGS:**

1. The Hearing Examiner has admitted documentary evidence into the record, previously viewed the property, heard testimony, and taken this matter under advisement.
2. This matter is exempt from review pursuant to the State Environmental Policy Act (SEPA).
3. Proper notice was provided pursuant to the Pierce County Code (see Exhibits 6A and 6B).
4. By Report and Decision dated June 18, 1999, the Examiner approved the Cascadia Development Corporation's application for an Employment Based Planned Community (EBPC) and Planned Unit Development (PUD) on 4,719 acres of property located on the Bonney Lake plateau. On August 24, 1999, the Examiner

issued a Decision on Reconsideration clarifying conditions of approval, adding one additional condition, and responding to the Washington State Department of Transportation's objections to the required amount of traffic mitigation. No one filed an appeal and the Decision became final.

5. Condition 129 of the Decision and Section 6.14 of the Cascadia Employment Based Planned Development Agreement adopted by the Pierce County Council require five year reviews of the Cascadia EBPC until final build-out. Such reviews consider compliance with conditions of approval and assess whether the development is well designed, contains a balance of uses, efficiently uses public facilities and services, and provides adequate open spaces. Pursuant to the Development Agreement and Condition 129 the Examiner issued a Report and Decision for the first periodic five year review dated August 14, 2007, and a Report and Decision for the second periodic five year review dated May 10, 2012. Both Decisions determined that the EBPC was meeting the above criteria. The present Report and Decision approves the third periodic five year review.
6. In preparation for the third periodic five year review Mr. Robert Jenkins, senior planner, prepared a Status Update Report that he circulated to the applicant and parties of record on September 20, 2017. Mr. Jenkins received a variety of responses from the applicant and others and prepared his Staff Report for the third periodic five year review that included responses to comments received on the Status Update Report.
7. At the time of the second periodic five year review the present applicant, Nash Cascadia Verde, LLC, and Newland Communities-Puget Sound did not have ownership of the entire EBPC. Sumitomo Forestry Seattle, Inc., owned Parcel O that contains 500 acres and is designated for development as a golf course and resort. Subsequent to the issuance of said Decision, the present applicant acquired a possessory ownership interest in Parcel O and is now the owner of the entire EBPC.
8. To prevent inconsistency and to avoid duplication the Examiner hereby adopts the Status Update Report and Staff Report (Exhibits 1 and 3C) as if set forth in full herein. However, those sections of said documents disputed by the applicant and the Cities of Bonney Lake and Sumner are addressed hereinafter and supersede Mr. Jenkin's findings.
9. The applicant requests a modification of Table I.10.030, the Tehaleh Phase I Use Table as set forth in Exhibit 1-2 to the 2015 Tehaleh Development Agreement. The modification would allow single-family detached housing in the multi-family zoned areas of the EBPC. The multi-family zone currently allows all levels of multi-family dwellings to include multi-family housing, nursing homes, and senior housing use types subject to an administrative use permit (AUP), and group homes subject to a conditional use permit. The modification would allow multiple, single-family homes

on a single lot of record. Such would provide individuals and smaller families alternative dwelling opportunities from a traditional, single-family home on its own lot of record. Staff disagrees that a higher density, single-family detached condominium type development is equivalent to a multi-family complex. However, staff agrees that the current market at Tehaleh does not support development of multi-family products. Therefore, staff supports affordable housing opportunities and a mix of housing types in these early phases of Tehaleh's development under certain conditions. Staff sets forth its recommendations in Exhibit 18, and the Examiner adopts said recommendations that authorize a certain percentage of single-family dwelling units within the multi-family zone subject to AUP approval. The applicant agrees with staff's recommendations.

10. Issues include elevated nitrate levels at the Cascadia Large On-Site Septic System (LOSS) and interim wastewater treatment plant. Stefan Kamieniecki, senior planner, Sewer Division, Planning and Public Works, testified and introduced a letter (Exhibit 13) that set forth the issues and solutions regarding nitrate levels and other questions. The testimony and letter explain that the State Department of Ecology is the regulating agency for the existing facility. Mr. Kamieniecki's testimony and letter satisfactorily answer all questions regarding wastewater treatment at Tehaleh.
11. Mitigation measures in the Final EIS of the Cascadia EBPC require alleés and forested strips on both sides of proposed arterial roads for the purpose of providing habitat linkages to larger, natural, open spaces that are to be retained on the site. The applicant requests that said arterial forest buffers (100-120 feet in width) be either modified, reduced, or eliminated for all uses in the Civic Use category of the Pierce County Code (PCC) and for retail uses located in the Neighborhood Center and Community Center zones. A religious assembly use has submitted a proposal for a parcel that abuts 198<sup>th</sup> Avenue East (Parcel N2). 198<sup>th</sup> is an arterial road and requires the 100 foot wide, vegetative buffer. Staff agrees that at present arterial buffers are not required along frontages of commercial, retail, and service areas such as schools, parks, and fire stations. These uses were exempted due to the need for visibility to attract customers to commercial businesses, and for safety and visibility into schools, fire stations, and parks. However, staff believes that uses in the commercial zones as proposed by the applicant are destination uses and not dependent on drive-by customers for success.
12. The Examiner agrees with the applicant's position regarding religious assembly uses based in part upon the Federal Institutionalized Persons Act of 2000 (RLUIPA) and the Decision of the Washington Supreme Court in The City of Sumner v. The First Baptist Church of Sumner, et. al., 97 Wn. 2d 1 (1982). However, a blanket exemption for all civic uses and commercial uses does not appear appropriate. The impacts and locations of such uses may or may not require a buffer, or may require a less stringent screening that can be provided by limbing and view scapes. Thus, the Examiner has modified the applicant's requested modification.

13. The Cities of Bonney Lake and Sumner appeared and expressed significant concerns regarding traffic impacts not fully evaluated in 1999 upon approval of the EBPC. Upon approval, traffic mitigation triggers were established based upon the number of dwelling units approved and the number of vehicle trips occurring during the p.m. traffic peak period. All parties agree that Tehaleh is fast approaching the dwelling unit number trigger for completion of traffic mitigation (1,130 single-family residential building permits). The Cities also express concern that the commercial/employment development contemplated within the EBPC has not kept pace with the residential development, and therefore the Examiner should require a new traffic analysis. Finally, the Cities assert that subsequent to approval of the EBPC in 1999, traffic has increased by almost 50 percent on both SR-410 and SR-167. Such causes drivers to now utilize City streets in an effort to bypass the congestion. The Cities assert that a traffic analysis should be required to evaluate the new traffic patterns and congestion and recommend mitigation.
14. While both triggers remain in effect, the most critical trigger is the actual number of vehicle trips generated by Tehaleh during the p.m. peak period. According to Transpo Group, the applicant's expert, the 1998 EIS estimated that upon build-out Phase I of Cascadia would generate 3,890 week day, p.m. peak trips. The EIS also anticipated that on-site work opportunities would reduce offsite trips by 16 percent. Such would reduce the offsite p.m. peak trips to 3,270 trips that would include 1,150 residential offsite trips and 2,120 employment/commercial offsite trips. The EIS anticipated that 930 commercial trips would stay within the local area.
15. Beginning in September, 2016, Transpo Group began monitoring traffic. The most recent monitoring (fall, 2017) shows that with 946 residential units occupied, the offsite, traffic generation amounted to 537 vehicle trips during the weekday, p.m. peak period. Furthermore, upon total build-out of Phase I, and assuming trip generation rates based on the fall, 2017, traffic monitoring study, Tehaleh would generate 2,503, offsite, weekday, p.m. peak trips, significantly less than the 3,270 trips anticipated in the 1998 EIS. The counted trips are also less than anticipated in the Tehaleh Amended Phase I Master Plan dated November, 2013, (2,847 p.m. peak period trips). Mr. Paul Barber, Pierce County development engineer and the County Traffic Engineer reviewed the traffic information and support raising the single-family dwelling unit trigger from 1,130 to 1,761. Such would provide additional time (roughly two years) to allow widening of 198<sup>th</sup> Avenue East. Furthermore, based upon the monitoring, Mr. Barber believes that the project will remain within the prescribed p.m. peak hour trip trigger of 2,716.
16. While the Cities raise legitimate concerns regarding new travel routes and impacts on their jurisdictions, the applicant is presently preparing a Draft Supplemental EIS that will analyze all impacts of Phase II of Tehaleh to include traffic impacts. The Cities and their traffic engineers may and should participate in the SEIS process. However, the Examiner has no authority to order additional, environmental studies

as such decision is within the authority of the Pierce County responsible official.

17. The traffic studies within the file as evaluated by Paul Barber, development engineer, and the Pierce County traffic engineer, Rory Grindley, confirm that the offsite traffic generated by Tehaleh does not approach the threshold set forth in the EIS. Therefore, it is appropriate to allow issuance of additional building permits as recommended by Mr. Barber.
18. The Examiner received a petition signed by numerous "Concerned Citizens" requesting a second access road that would enable residents south of the Cascadia/198<sup>th</sup> Avenue East roundabout to evacuate in emergency situations such as a fast moving, brush fire. Residents also point to traffic generated by another development (Plateau 465) as hindering an evacuation. Residents cite International Fire Code Section 503.1.2 that authorizes the fire code official to require more than one fire apparatus access road.
19. In response to "Concerned Citizens" the applicant notes that East Pierce Fire and Rescue (EPFR) has a fire station four miles from Tehaleh at the 120<sup>th</sup> Street East/214<sup>th</sup> Avenue East intersection that can provide a response time to the southern portions of Tehaleh in eight to ten minutes. EPFR has used undeveloped portions of Tehaleh for wildfire training for more than 15 years and is familiar with the area and its unpaved roads. Finally, EPFR has wildfire equipment and responds quickly to wildfire emergencies. Tehaleh manages forests in the current undeveloped portions of its site by thinning and cutting, which significantly reduces the risk of wildfires.
20. North of the Tehaleh entrance roundabout, two roads provide access from the area: 198<sup>th</sup> Avenue East, and 131<sup>st</sup> Street East that connects Canyon View Boulevard to 198<sup>th</sup> about one mile north of the Tehaleh entrance. At 128<sup>th</sup> Street East two additional access options are available. Furthermore, construction of the four lane widening project on 198<sup>th</sup> Avenue East will improve emergency access and response, and such widening is programmed to begin in 2019. EPFR is currently considering moving Station 112 to the 198<sup>th</sup> Avenue East/128<sup>th</sup> Street East intersection that will significantly reduce response times to the area. Finally, Tehaleh has dedicated a site for a fire station and within the next ten to 15 years EPFR plans to construct a new fire station on said site.

## CONCLUSIONS:

1. The Hearing Examiner has the jurisdiction to consider and decide the issues presented by this request.
2. In accordance with the requirements of Section 6.14 of the Development Agreement, the third, periodic, five year review shows that the project applicant remains in compliance with conditions of EBPC approval. The development is well designed, contains a balance of uses, efficiently uses public facilities and services, and provides adequate open space.
3. The third periodic review should be approved subject to the following conditions:
  1. Table I.10.030, the Tehaleh Phase I Use Table, as set forth in Exhibit I-2 to the 2015 Tehaleh Development Agreement, is hereby modified as follows:
    - a. The Single-Family Detached Use Type is allowed in the Multi-Family zone subject to obtaining Administrative Use Permit approval;
    - b. A note shall provide that no more than 50% of the dwelling units in Phase I Multi-family zones may be Single-Family Detached, and a minimum of 20% of the dwelling units in an individual project must be from the two family or Multi-Family Use Types; and
    - c. A note shall prohibit Single-Family Detached and Two-Family dwelling units in the Multi-family zones on individual lots of record.
  2. Section 4.2.6 of the 2015 Tehaleh Development Agreement is hereby modified as follows:

### 4.2.6 Open Space Development

Open Space development is allowed under PCC Section 18A.35.050 in effect on June 23, 1997. Other land uses are permitted within designated open space, except critical areas, as provided in Exhibit "I." Where PCC Section 18A.35.050 and Exhibit "I" to this Tehaleh Development Agreement conflict, Exhibit "I" will govern.

The alleés and arterial forest buffers serve several functions including providing habitat linkages among the larger natural open spaces retained on the site. The exact location and configuration of alleés and arterial forest buffers shall be determined during the design review of parcel specific development applications, preliminary plats, and building permits. No site development permits or vegetation removal shall be permitted on parcels abutting alleés and arterial forest buffers until the location and configuration of the permanent alleé and/or the width and character of the arterial forest

buffer has been determined by Pierce County Planning and Land Services Public Works (PPW), unless such site development activity is deemed by Pierce County Planning and Land Services PPW to not preclude reconfiguring the alleé or arterial forest buffer outside the location determined by the Project EIS.

Prior to site development approval adjacent to any identified alleé or arterial forest buffer, the site development plans shall be reviewed by PALS PPW Current Planning and Resource Management to ensure that the impacts within the adjacent alleés or arterial forest buffers are minimized and that, where deemed reasonably unavoidable in order to provide access or to avoid excessively high walls, impacted portions of the alleés and arterial forest buffers are restored with native vegetation, to include ground cover, understory, shrubs and trees. Where the applicant and PALS PPW cannot agree as to what impacts are either minimal or reasonably unavoidable, the matter will be directed to the Hearing Examiner for resolution.

Nothing in this condition is intended to preclude the use of alleés and arterial forest buffers for trail and other purposes described in the Project EIS or to require that areas set aside for such uses be planted as described above.

3. The single-family dwelling unit threshold is hereby extended from 1,130 as set forth in Exhibit L to 1,761 dwelling unit equivalents. Such will provide roughly two years for Tehaleh to resolve permit issues and enable further construction progress on the widening of the 198<sup>th</sup> Avenue East corridor.
4. The 100 foot buffer width along arterials may be eliminated or reduced administratively where the adjoining use consists of a church, library, school, or other community oriented use that is typically not screened from view. Pierce County Planning and Public Works may reduce or eliminate buffers for commercial uses subject to approval of an Administrative Use Permit (AUP).

**DECISION:**

The request for approval of the third Cascadia (now Tehaleh) periodic five year review is hereby granted subject to the conditions set forth above.

ORDERED this 23rd day of January, 2018.

  
\_\_\_\_\_  
STEPHEN K. CAUSSEAU, JR.  
Hearing Examiner

**TRANSMITTED** this 23rd day of January, 2018, to the following:

**OWNER:** NASH Cascadia Verde, LLC  
16701 S.E. McGillivray Boulevard, Suite 150  
Vancouver, WA 98683-3462

**APPLICANT:** NASH Cascadia Verde, LLC, a.k.a., Newland Communities  
Attn: Scott Jones/Tom Uren  
505 South 336<sup>th</sup> Street, Suite 430  
Federal Way, WA 98003

**ATTORNEY:** Gordon, Thomas, Honeywell, et al  
Attn: William T. Lynn  
P.O. Box 1157  
Tacoma, WA 98401

**OTHERS:**

Rosanna Miller  
15609-158<sup>th</sup> Avenue East  
Bonney Lake, WA 98391

Rosalie Alexander  
1799 Orting Road North  
Bonney Lake, WA 98391

William Hurme  
1643-2<sup>nd</sup> Street  
Kirkland, WA 98033

B.C. Mitchell  
3220 Magnolia Boulevard West  
Seattle, WA 98199

Dan Grigsby  
20415 South 126<sup>th</sup> Street Court East  
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Tacoma, WA 98409

Art and Maureen Palacek  
7716-190<sup>th</sup> Avenue East  
Bonney Lake, WA 98391

Bud Rehberg  
3802-232<sup>nd</sup> Street  
Spanaway, WA 98387

Cascadia Resort Communities LLC  
11747 N.E. 1<sup>st</sup> Street, Suite 320  
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P.O. Box 1660  
Orting, WA 98360

Charlie and Pamela Johnson  
10610-230<sup>th</sup> Avenue East  
Buckley, WA 98321

Charlotte Kontos  
22305-96<sup>th</sup> Street East  
Buckley, WA 98321

City of Orting  
P.O. Box 489  
Orting, WA 98360

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10812 McCutcheon Road  
Sumner, WA 98390

City of Sumner Mayor  
1104 Maple Street  
Sumner, WA 98390

Elizabeth Mitchell  
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Dawn Naylor  
5720 Capital Boulevard  
Tumwater, WA 98502

Diane Rhoades  
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Don Rolston  
15818 Pioneer Way East  
Orting, WA 98360

Doug Britschgi  
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Sumner, WA 98390

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Tumwater, WA 98502

Gary Campbell  
11601-188<sup>th</sup> Avenue Court  
Bonney Lake, WA 98390

Gerald Schmitz  
5417-234<sup>th</sup> Avenue East  
Buckley, WA 98321

Glenn Kuper, Jr.  
15421-88<sup>th</sup> Street East  
Puyallup, WA 98372

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23639-126<sup>th</sup> Avenue S.E.  
Kent, WA 98031

James and Jane Waldron  
19610-166<sup>th</sup> Street East  
Sumner, WA 98390

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8513-43<sup>rd</sup> Street West  
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John Schulz  
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Sumner, WA 98390

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15710-106<sup>th</sup> Street East  
Puyallup, WA 98374

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11816-200<sup>th</sup> Avenue East  
Sumner, WA 98390

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Tacoma, WA 98401

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Stan Florez  
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20 Forest Glen Lane S.W.  
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P.O. Box 7217  
Bonney Lake, WA 98391

City of Sumner  
Attn: Ryan Windish  
1104 Maple Street  
Sumner, WA 98390

Transpo Group  
Attn: Stefanie Herzstein  
12131-113<sup>th</sup> Avenue N.E., #203  
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Shuming Yan  
5720 Capital Boulevard  
Tumwater, WA 98504

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Graham, WA 98338

Tom Smayda  
139 N.E. 61<sup>st</sup>  
Seattle, WA 98115

Kent Sterling  
14516-192<sup>nd</sup> Avenue Court East  
Bonney Lake, WA 98391

City of Bonney Lake  
Attn: Jason Sullivan  
9002 Main Street East, Suite 30  
Bonney Lake, WA 98391

Department of Ecology  
Attn: Bob Duffy  
P.O. Box 47775  
Olympia, WA 98504-7775

Public Works Director  
Attn: Dan Grigsby  
P.O. Box 7380  
Bonney Lake, WA 98390

Goldsmith & Associates  
Attn: Erik Enstrom  
P.O. Box 3565  
Bellevue, WA 98009

East Pierce Fire and Rescue  
Attn: John P. McDonald, Deputy Chief  
18421 Veterans Memorial Drive, Ste F  
Bonney Lake, WA 98391

The Transpo Group  
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Newland Communities-Puget Sound  
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Federal Way, WA 98003

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1104 Maple Street, Suite 250  
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Attn: Steven J. Brown  
P.O. Box 1290  
Sumner, WA 98390

Surnitomo Forestry America, Inc  
Attn: Takefumi Usami  
1110-112<sup>th</sup> Avenue N.E., Suite 202  
Bellevue, WA 98004-4571

Cairncross & Hemplemann  
Attn: Nancy Bainbridge Rogers  
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Seattle, WA 98104

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Attn: David Roberts, P.E.  
1019-39<sup>th</sup> Avenue S.E., Suite 100  
Puyallup, WA 98374-2115

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Seattle, WA 98101

N.W. Cascade  
Attn: Steve Barger  
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PIERCE COUNTY PLANNING AND LAND SERVICES  
PIERCE COUNTY BUILDING DIVISION  
PIERCE COUNTY DEVELOPMENT ENGINEERING DEPARTMENT  
PIERCE COUNTY PUBLIC WORKS AND UTILITIES DEPARTMENT  
TACOMA-PIERCE COUNTY HEALTH DEPARTMENT  
FIRE PREVENTION BUREAU  
PIERCE COUNTY PARKS AND RECREATION  
PIERCE COUNTY COUNCIL  
PIERCE COUNTY RESOURCE MANAGEMENT  
PIERCE COUNTY CODE ENFORCEMENT

**CASE NO.: Third Periodic Five Year Review: Response to Comments  
Status Update Report for the Cascadia (a.k.a. Tehaleh)  
Employment Based Planned Community Planned Unit  
Development (EBPC PUD)  
Application Number: 861967**

**NOTICE**

**1. RECONSIDERATION:**

Any aggrieved party or person affected by the decision of the Examiner may file with the Department of Planning and Land Services a written request for reconsideration including appropriate filing fees within seven (7) working days in accordance with the requirements set forth in Section 1.22.130 of the Pierce County Code.

**2. APPEAL OF EXAMINER'S DECISION:**

The final decision by the Examiner may be appealed in accordance with Ch. 36.70C RCW.

**NOTE:** In an effort to avoid confusion at the time of filing a request for reconsideration, please attach this page to the request for reconsideration.