

City of Cle Elum
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SUMMARY OF PRE-APPLICATION REVIEW MEETING CEMC 17.100.050(D)

Bullfrog Flats Master Plan / 47° North Pre-Application Meeting **October 31, 2019**

The Cle Elum Municipal Code Chapter 17.100.050 requires that a Project Sponsor schedule a pre-application review meeting with City staff prior to submitting Type 2, 3, or 4 applications. The purpose of this meeting is to provide the City with a better understanding of the proposed project and to discuss the application requirements and permit processing schedule. The following is a summary of the meeting as well as additional information provided by the City. This information is advisory and subject to revision as additional research is conducted and/or additional information is provided by the Project Sponsor. A formal review of the project will be initiated by the City as applications to amend and/or implement the Bullfrog Flats Master Plan are submitted.

On Thursday October 24, 2019, representatives of Sun Communities and Suncadia met with representatives of the City of Cle Elum to discuss the status of proposed amendments to the Bullfrog Flats Master Plan. Participants in this pre-application meeting included:

Sun Communities:

Kurt Beleck, Atwell
Brian Wenzel, Atwell
William Anderson, Atwell
Jeff Schramm, TENW
Laura Bartenhagen, ESM
John Everett, ESM
Howard Fingerroot, Vector Development Group

City of Cle Elum:

Lucy Temple, City Planner
Ben Annen, HLA, City Consulting Engineer
Richard Weinman, City SEPA Consultant
Gregg Dohrn, City Planning Consultant
Jay McGowan, Mayor

Suncadia:

Gary Kittleson

Project Summary:

Background

In 2002 the Cle Elum City Council approved a Master Plan and a Development Agreement to govern the future development of approximately 1,100 acres located west of the Cle Elum Cemetery between Bullfrog Flats Road, SR 903, and I-90. This area, originally known as the Bullfrog Flats Urban Growth Area, or the Bullfrog UGA, has since been annexed into the City. The approved Master Plan provided for the construction of 1,334 dwelling units, including 810

single family units and 524 multi-family units, as well as a 75-acre business park, and 7.5 acres for the construction of 50 affordable housing units. The Development Agreement, which was based on an environmental impact statement (EIS) that was prepared for the proposed master plan, included over 120 conditions of approval. In accordance with the provisions of the Development Agreement, 112 acres were dedicated to the City in 2008 for the purposes of establishing the Washington State Horse Park, and 38 acres were dedicated to the Cle Elum School District in 2003. Other than the subsequent development activities initiated by the Washington State Horse Park Authority and the Cle Elum School District, the only other development activity to date was the City approval in 2008 of a subdivision associated with the future development of the Business Park.

The Development Agreement between the City and the current owners of the remaining portion of this site, New Suncadia, LLC (“Suncadia”), was amended in 2017 to extend the termination date by 10 years, to 2027. Recently, Suncadia informed the City that they had entered into an agreement to potentially sell approximately 825 acres of the site to Sun Communities Inc., a publicly traded company that has developed over 380 manufactured housing communities and RV parks in the United States and Canada. Sun Communities subsequently advised the City that they were exploring the feasibility of proposing amendments to the approved Master Plan that would keep the total number of dwelling units at 1,334, but would reduce the number of single family residences to 527 reduce the number of multi-family dwelling units to 180, and would add a RV Park Resort with 627 RV sites.

The City had previously advised Sun Communities that the potential revisions they have under review would constitute a “major amendment” to the approved master plan, as that term is defined in the Development Agreement. As a result, the proposed revisions will require the submittal of an application to the City to amend the approved Master Plan. This application will be subject to analysis by City staff and made available for public review and comment. The City Planning Commission will conduct a public hearing on the proposed amendments, and following a review of the complete record, will make a recommendation to the City Council. The City Council will then take action to approve or deny the proposed amendments to the approved Master Plan, which may include conditions of approval. In addition, the City has determined that a supplemental environmental impact statement (SEIS) will need to be prepared to update all aspects of the original (2002) Final EIS (FEIS), and to assess the potential environmental impacts and required mitigation measures associated with the proposed amendments to the approved Master Plan. Although Sun Communities has not yet submitted a formal application to revise the approved Master Plan, the City has selected a team of consultants, led by EA Engineering, Science, and Technology, to prepare the SEIS. The EA Team specializes in the preparation of environmental impact statements for larger scale and complex master plan projects and several members of the EA Team were involved in gathering data and assessing potential impacts associated during the preparation of the FEIS. The City initiated the SEPA process on October 8, 2019 by publishing a determination of significance and scoping notice. The scoping comment period closed on October 29, 2019.

Project Update

The Sun Communities representatives provided the City with an overview of the potential revisions to the approved Master Plan. Key features that were highlighted included:

1. The area to be developed by Sun Communities is proposed to include a 90-acre RV park resort, similar in design to one recently constructed by Sun Communities in Granby, Colorado, and a 123-acre manufactured housing community. The total number of residential units will remain 1,334. Other features planned for the revised master plan, now known as 47⁰ (“Degrees”) North include:
 - a. A 6-acre recreational Adventure Center;
 - b. 12-acres to be dedicated to the City of Cle Elum for a Municipal Recreation Center;
 - c. 10-acres reserved for future expansion of the Cle Elum Cemetery;
 - d. 7.5 acres to be dedicated to the City for the construction of 50 affordable housing units (not included in the 1,334 residential unit count); and
 - e. Dedicated open space, trails, and recreation areas.
2. The RV park resort is being designed to accommodate a total of 627 units, including some combinations of:
 - a. Recreational vehicles driven to the site;
 - b. Park models available for rent (~ 400 square feet); and
 - c. “Glamping” sites which could include yurts, safari tents, airstreams, tepees, etc.
3. The RV park resort will include an amenities center which will also be available for use by the owners of the villas in the residential community.
4. The RV pads will be full service with hook-ups to water, sewer, and electrical service.
5. The primary access to the RV park resort will be from Bullfrog Road.
6. The residential community is being designed to accommodate 707 manufactured housing units, including some combination of:
 - a. Single family residences (1,200-2,000 square feet) on leased lots (55’ x 110’= 6,500 square feet);
 - b. Multi-family clusters of three smaller residences (700-1,800 square feet) around a shared courtyard; and
 - c. Approximately 30 single family residences on purchased lots (villas).
7. It is proposed that there will be one master water meter serving the RV park resort and one serving the manufactured housing community. Sun Communities will be responsible for collecting from the individual users and will make a monthly payment to the City.
8. Sun Communities will be responsible for maintaining all infrastructure serving the RV park resort and the residential community, except for the proposed “spine road” that would connect Bullfrog Road and SR 903.
9. It was noted that the Adventure Center will be open to the public. The neighborhood parks located in the manufactured housing community will also be open to the public but will be of a scale more conducive to local use. It is intended that the Municipal (Community) Recreation Center would be a City-owned facility designed for use by the entire Upper Kittitas County community.

Identify the Relevant Approval Criteria, Development Standards and Other Relevant Laws and Policies:

It was noted that there will likely be three separate, yet inter-related decision-making tracks for this proposed project:

- Preparation and issuance of the Supplemental EIS;
- Proposed amendments to the approved Master Plan and Development Agreement; and
- Applications to implement the approved Master Plan and Development Agreement, such as subdivisions, binding site plans, and boundary line adjustments.

The SEIS Team has already started to gather data and it is anticipated that it will take 9-12 months to prepare and issue the Supplemental EIS. Information from the SEIS will assist the Project Sponsor in refining the proposed amendments to the approved Master Plan and Development Agreement and will assist the City in evaluating the proposed amendments. It was further noted that applications to amend the approved Master Plan and Development Agreement, or to implement the approved Master Plan, may be submitted prior to the completion of the SEIS, but no formal action may be taken on the applications by the City until at least 7 days have passed after the final SEIS has been issued.

During the meeting the City strongly emphasized the importance of Sun Communities and Suncadia discussing future development scenarios for the 26-acre business park. There is a limited window of opportunity to advise the SEIS Team on the range of uses to assess, and in the absence of further direction, any potential revisions to the business park that may emerge in the future, will be subject to a separate environmental analysis which could have time and cost implications for both Suncadia and Sun Communities.

The Development Agreement includes the conditions of approval for the Master Plan as well as the development standards and the vested rights for the project. During the meeting we discussed how responsibility for meeting the 120+ conditions of approval might be allocated between Sun Communities and Suncadia. We also discussed how and when to address proposed revisions to the Development Agreement, which will need to include the party's respective legal counsels. The options we discussed included, but are not limited to, amending the entire development agreement, amending Attachment B - Conditions of Approval, and/or preparing two new development agreements, one applicable to the properties acquired by Sun Communities, and another applicable to the properties retained by Suncadia. It was agreed that a follow-up discussion(s) on this and related topics will need to be scheduled.

We should also discuss paragraph 6.4 of the Development Agreement that provides that the Project Sponsor shall include with each implementing application a statement explaining how the proposal is consistent with all of the Conditions of Approval.

Evaluate Information Supplied by the Applicant and Identify any Changes That May be Necessary to Comply with the Approval Criteria and Development Standards:

The proposed "spine road" that would provide access to both Bullfrog Road and SR 903 was discussed as well as the importance of an emergency exit for the Horse Park. It was noted that the need for additional traffic mitigation measures would be addressed through the SEIS including potential improvements to or in the vicinity of Douglas Munro Boulevard. It was also noted that

the Development Agreement requires the dedication of 7.5 acres to the City for the construction of 50 affordable housing units. The Agreement further requires that the Project Sponsor provide water, sewer, and access to the boundaries of this site. The City expressed concern about the proposed location of the affordable housing site between the Horse Park, the Cle Elum Cemetery, and steep slopes, and the ability to provide access to the site.

Please note that following the meeting, the City representatives further discussed this matter, including the City standard that requires that a housing development with more than 40 units must be accessible from two access points. As a result, the City strongly encourages Sun Communities and Suncadia to consider how the requirement for the second access point will be met.

It was also noted that the proposed master plan amendments include an isolated parcel of land north of the site proposed for the Municipal Recreation Center along Bullfrog Road. Sun Communities indicated that this was not by design and that this area may ultimately be dedicated to the City. The approved Master Plan also includes a network of trails that logically would be connected to the Coal Mines Trail north of SR-903. The City indicated that it will set up a meeting with Sun Communities, Suncadia, Cle Elum Pines West, the Washington State Horse Park, WSDOT, Kittitas County, the City, and perhaps others to discuss connections between existing and planned trails, the responsibility and timing for the design, financing, and construction of trail improvements that may be required, and the future management of these trails for multiple uses.

At the conclusion of the meeting we discussed the protocols for communication, and the importance of making sure that our respective representatives are copied in communications. It was agreed that the SEIS Team Project Manager may contact Sun Communities directly with requests for information, with copies to the City, but that all other communications with Sun Communities must flow through the City staff so an appropriate record is kept.

Applicable Application Fees:

The City and the Project Sponsors have executed an agreement that enables the City to recover the costs associated with pre-application consultations and the subsequent evaluation of applications.

Public Facilities and Improvements Necessary to Serve the Development:

The Development Agreement identifies the required infrastructure improvements. It was noted during the meeting that the introduction of the RV park resort will require numerous revisions to the Conditions of Approval to reflect that much of the infrastructure will be owned and maintained by Sun Communities.

Current Utility Connection Charges:

The applicable fees charges for utilities will be determined later in the process.

Physical Development Limitations:

The approved Master Plan and Development Agreement include provisions for the protection of open space and environmentally sensitive areas. The location and condition of these areas is being

updated in the SEIS and it was noted that there may be a long-standing mapping error involving the location of wetlands, that if verified, will need to be corrected.

Additional Information:

Following the pre-application meeting the representatives of the City had a series of discussions to further review the information provided by Sun Communities and to reflect on the discussions. The following information is provided as a resource to the Project Sponsor. Please do not hesitate to let the City know if you would like us to elaborate on this or related matters.

- 1. Decision-making Tracks. Unless there is a provision in the Development Agreement that provides otherwise, the proposed amendments to the approved Master Plan will be processed by the City as a Type 4 permit which will include an analysis by City staff, a public hearing conducted by the City Planning Commission, and a recommendation by the Planning Commission to the City Council. The City Council will then take final action on the application which could include approval, denial, or approval of the proposed amendments subject to conditions. It should be noted that the Laws of Washington State requires that there shall be no more than one open record public hearing and one closed record hearing during the review of a project specific application. As a result, the City may consider amending the Cle Elum Municipal Code to clearly provide that the City's procedures for processing Type 4 permits are consistent with state law.*

Any subsequent applications to implement the approved Master Plan will be processed in accordance with the provisions of the Cle Elum Municipal Code Title 17, unless otherwise provided in the Development Agreement. This includes the processing of subdivisions as a Type 3 application which currently includes an analysis by City staff, a public hearing before the Planning Commission, and a recommendation by the Planning Commission to the City Council, who then makes the final decision.

- 2. A quick review of the Kittitas County Assessor Office records indicates that New Suncadia LLC owns 28 parcels that may be subject to the approved Master Plan. Presumably, Sun Communities will be acquiring some portion of this property as currently configured or as it will be configured in the future. During the pre-application meeting we discussed the need to reconfigure the parcels to align with the proposed revisions to the approved Master Plan, and we referenced both a subdivision and a binding site plan(s) as a way to accomplish this, as well as potentially a boundary line adjustment. Briefly stated, a boundary line adjustment is a means of adjusting the configuration of a lot or adjoining lots and is not used to create new lots. A subdivision is the means of creating new lots, and/or consolidating existing lots, and a binding site plan is an alternative to the subdivision process that is applicable to commercial and industrial properties. For more information on these planning tools please refer to Cle Elum Municipal Code Title 16 Subdivisions and the Revised Code of Washington Chapter 58.17.*

As we reflected upon your plans, it appears that at some point you will want to reconfigure the property subject to the approved Master Plan to potentially include the following:

- A parcel(s) for the RV Park Resort;
- A parcel(s) for the proposed single and multi-family manufactured housing on leased lots;
- 30 parcels +/- for villas to be sold (with rights to use the amenities in the RV Park Resort);
- A parcel(s) for the Business Park to be developed by Suncadia or a successor in interest;
- A 12.5-acre parcel to be dedicated to the City for the Community Recreation Center;
- A parcel(s) for the Amenities Center;
- A parcel(s) for the Adventure Center;
- A parcel(s) for dedication to the City for development of 50 units of affordable housing;
- A parcel for potential acquisition by the City for the expansion of the cemetery;
- Possibly a parcel(s) or areas to be designated for privately owned streets;
- A parcel(s) or right-of-way for dedication to the City for a public street(s); and
- One or more parks or open space tracts.

Given the number of parcels potentially involved, and the range of uses potentially associated with them, it would appear that a subdivision would be the appropriate means of reconfiguring and dividing the existing lots to correspond with the areas designated on the revised master plan. A binding site plan may then be appropriate to further divide certain areas such as the business park and the RV park resort, that could be accomplished administratively in subsequent applications.

We would also like to remind you that it appears that several of the parcels are participating in the Kittitas County Current Use Taxation Program as designated Open Space. If you have not already done so, you will want to contact the County to determine the steps that need to be taken to remove the open space designation so that these parcels can be developed in accordance with the provisions of the approved Master Plan. We also note that several of the parcels have a notation in the Assessor records that they be sold with other parcels. We haven't researched this provision to determine its significance, but we encourage you to do so.

Also, one additional reminder, it appears that the Development Agreement provides that the City must approve the sale of any property to Sun Communities, so we will need to discuss at some point when and how this approval would occur.

3. *Condition #38 Community Recreation Facility. Since the scoping meeting for the SEIS, the City has received numerous inquiries and expressions of concern regarding the status of the dedication and development of approximately 12 acres for a community park facility in accordance with the provisions of Condition #38 in the approved Development Agreement. As a result, the City would like to have a specific discussion with Suncadia and Sun Communities on the plans and timeline for satisfying this condition of approval.*