

1 Sponsored by: Councilmember Dan Roach

2 Requested by: Council

3
4
5
6 **RESOLUTION NO. R2018-80s**

7
8
9 **A Resolution of the Pierce County Council Initiating a Development**
10 **Agreement Pursuant to Section 18A.100.060 of the Pierce**
11 **County Code; Directing the Department of Planning and**
12 **Public Works (PPW) to Negotiate Acceptable Terms and**
13 **Conditions to be Incorporated into a Development Agreement**
14 **for the Tehaleh Employment Based Planned Community**
15 **(EBPC); and Requesting PPW Forward an Ordinance and**
16 **Proposed Development Agreement to the Council for Phase 2**
17 **of the Tehaleh EBPC for its Consideration.**

18
19 **Whereas**, Revised Code of Washington (RCW) 36.70B.170 authorizes the
20 execution of a Development Agreement between a local government and a person
21 having ownership or control of real property within its jurisdiction; and

22
23 **Whereas**, a Development Agreement provides a developer an assurance that
24 existing regulations in effect and cited in an Agreement will govern and vest the
25 development, use, and mitigation of anticipated new development of the real property,
26 enabling the local government and developer to plan for the development and services,
27 infrastructure, or other facilities related to the development; and

28
29 **Whereas**, the Pierce County Comprehensive Plan was adopted on
30 November 29, 1994, through Ordinance No. 94-82s; and

31
32 **Whereas**, Exhibit A to Ordinance No. 94-82s designated the “Cascadia” area as
33 Moderate Density Single Family with an Employment Based Planned Community
34 (EBPC) Overlay; and

35
36 **Whereas**, the Pierce County Comprehensive Plan was amended through
37 Ordinance No. 95-132s on November 21, 1995; and

38
39 **Whereas**, Exhibit A to Ordinance No. 95-132s established an EBPC land use
40 classification to allow for EBPC developments approved through the planned unit
41 development or planned development district permit process; and

42
43 **Whereas**, Exhibit B to Ordinance No. 95-132s provided the “Cascadia” area with
44 an EBPC comprehensive land use plan designation by removing the Moderate Density
45 Single Family designation and EBPC Overlay; and



1 **Whereas**, the Pierce County Zoning Atlas was amended through
2 Ordinance No. 95-149s2 on February 17, 1996, establishing an EBPC zone
3 classification for the “Cascadia” area; and
4

5 **Whereas**, the Pierce County Zoning Code was amended through
6 Ordinance No. 96-97 on October 13, 1996, to provide Planned Unit Development (PUD)
7 standards in order to implement EBPCs; and
8

9 **Whereas**, the standards adopted through Ordinance No. 96-97 included
10 “development agreement approval procedures” for PUDs; and
11

12 **Whereas**, the Cascadia Development Corporation applied for a PUD application
13 on June 23, 1997; and
14

15 **Whereas**, the original Cascadia EBPC Planned Unit Development (PUD) was
16 approved by the Pierce County Hearing Examiner on June 18, 1999 with a subsequent
17 decision on a request for reconsideration issued on August 24, 1999; and
18

19 **Whereas**, the approved Cascadia PUD encompassed 4,719 acres and was to be
20 built-out in three phases that included residential, employment, business park, school,
21 park, and open space uses; and
22

23 **Whereas**, on September 8, 1999, Pierce County and the Cascadia Development
24 Corporation entered into the Cascadia EBPC development agreement, pursuant to
25 Chapter 18A.75 of the Pierce County Code (PCC); and
26

27 **Whereas**, Exhibit D of the 1999 development agreement specifically authorized
28 Phase 1 with a maximum of 1,719 dwelling units and confirmed 119.2 acres of
29 employment uses, to include a 7.2 acre neighborhood center, 79.9 acre business park,
30 15.9 acres of golf course related uses, 15.7 acre equestrian center, 0.5 acre marketing
31 center, along with school and fire station acreage to satisfy the employment acreage
32 requirement for Phase 1; and
33

34 **Whereas**, the 1999 development agreement also gave conceptual approval to
35 the overall development of the PUD on the entire Cascadia Site; and
36

37 **Whereas**, between 1996 and August 2017 the County approved three minor
38 amendments and four minor modifications to the PUD that resulted in no increase in
39 residential dwelling units or change in employment requirements; and
40

41 **Whereas**, on March 23, 2011, NASH Cascadia Verde LLC (“NASH”) purchased
42 all of Cascadia, except for Parcel O, and renamed the development “Tehaleh”; and
43

44 **Whereas**, on December 11, 2012, the Council adopted Ordinance No. 2012-61s
45 creating a new Chapter 18A.100 PCC and establishing the process for Council approval
46 of Development Agreements pursuant to RCW 36.70B.170 through 210; and
47



1 **Whereas**, on April 7, 2014, the Hearing Examiner approved a major amendment
2 to the Tehaleh EBPC PUD and on April 23, 2014, granted a request for reconsideration,
3 which modified Phase 1 and resulted in a number of revisions to the 1999 Cascadia
4 development agreement that were subsequently incorporated into a Restated
5 Development Agreement approved by the County Council for Phase 1; and
6

7 **Whereas**, the 2014 major amendment modified the employment acreage to
8 include 121.8 acres of employment uses, a 7.3-acre neighborhood center, a 35-acre
9 community center, a 58.2-acre business park, 4 acres of commercial storage, 15.9
10 acres of golf course related uses, and a 1.4-acre marketing center, along with school
11 and fire station acreage to satisfy the employment acreage requirement for Phase 1;
12 and
13

14 **Whereas**, to ensure there are no physical impediments to development of
15 designated employment areas, the major amendment required employment areas within
16 any phase of development be dedicated prior to any non-infrastructure development
17 occurring within the next phase of development and that major infrastructure to serve
18 those employment areas be provided in a timely manner according to an infrastructure
19 schedule approved by PPW; and
20

21 **Whereas**, major infrastructure necessary to support Phase 1 employment areas
22 including roads, sewer, natural gas and electrical service are required to be completed
23 by the end of 2019 pursuant to the infrastructure schedule approved by PPW; and
24

25 **Whereas**, on March 11, 2015, the Hearing Examiner issued a report and
26 recommendation that the County Council approve the proposed Restated Development
27 Agreement for Phase 1 of the Tehaleh EBPC as necessary to update and replace the
28 1999 Cascadia development agreement covering Phase 1; and
29

30 **Whereas**, on August 14, 2014, prior to the Hearing Examiner's recommendation
31 on the Restated Development Agreement, and prior to the County Council's review of
32 the Restated Development Agreement; NASH made application for a Phase 2 Major
33 Amendment to the Tehaleh EBPC PUD under PCC 18A.75.080, and that application
34 was deemed complete by Pierce County Planning and Land Services; and
35

36 **Whereas**, on June 2, 2015, the Council adopted Ordinance No. 2015-31s that
37 approved the Tehaleh Restated Development Agreement for Tehaleh Phase 1 pursuant
38 to Pierce County Code 18A.100 and RCW 36.70B.170; and
39

40 **Whereas**, the Restated Development Agreement for Phase 1 as approved via
41 Ordinance No. 2015-31s, states that Council approval of a Development Agreement
42 shall be required for Phase 2 prior to any non-infrastructure development activity in
43 Phase 2; and
44

45 **Whereas**, Ordinance No. 2015-31s requested the Department of Planning and
46 Land Services to prepare necessary amendments to Chapters 18A.75 and 18A.100 of
47 the Pierce County Code to reflect the statutory requirements in RCW 36.70B.170



1 through RCW 36.70B.210 and to clarify the role of the Hearing Examiner, the Council
2 and the Department as related to Development Agreement approval; and
3

4 **Whereas**, on April 1, 2016, NASH purchased Parcel O; and
5

6 **Whereas**, on April 6, 2016, the Council adopted Ordinance No. 2016-14s
7 modifying Section 18A.75.080, the Planned Unit Development (PUD) process, and the
8 Applicability Section 18A.100.020 of Chapter 18A.100, the Development Agreement
9 process, to clarify that a Development Agreement is not a code requirement for a PUD,
10 but that a Development Agreement under RCW 36.70B and PCC 18A.100 can be
11 associated with a PUD; and
12

13 **Whereas**, Development Agreements approved by the Council pursuant to
14 Chapter 18A.100 and RCW 36.70B.170 through 210 are required to be consistent with
15 applicable development regulations adopted by the Council pursuant to RCW 36.70A;
16 and
17

18 **Whereas**, the Council recognizes the Tehaleh community is an exceptional
19 residential development that currently provides a mix of housing types and densities,
20 recreational trails and parks and a school; and
21

22 **Whereas**, it is the policy of Pierce County that Employment Based Planned
23 Communities be developed with an employment center including a mix of jobs and
24 services within the first component of the development; and
25

26 **Whereas**, the Restated Development Agreement for Phase 1 as approved via
27 Ordinance No. 2015-31s, requires that major infrastructure that is necessary to sell or
28 lease properties designated for employment use in Phase 1 shall be constructed and
29 available to service individual employment users prior to non-infrastructure development
30 permit approval or infrastructure related construction in Phase 2; and
31

32 **Whereas**, the Council is concerned about the lack of progress in fulfilling the
33 employment component of the Employment Based Planned Community; and
34

35 **Whereas**, the Council intends to ensure that adequate transportation
36 infrastructure has been completed concurrent with development of the EBPC; and
37

38 **Whereas**, the Council wishes to formally initiate an update to the Development
39 Agreement for the Tehaleh Employment Based Planned Community including Phase 2,
40 identify the process for review and approval, and to address unresolved issues; and
41
42



1 **Whereas**, the Council recognizes the development proposal included in the
2 August 14, 2014, major amendment application will provide the framework of the
3 updated Development Agreement initiated via this Resolution; **Now Therefore**,

4
5 **BE IT RESOLVED by the Council of Pierce County:**
6

7 Section 1. Initiation of Development Agreement. The development
8 proposal included in the August 14, 2014, application for the “Phase 2 Major
9 Amendment to the Tehaleh EBPC PUD” forms the framework for the proposed
10 Development Agreement. The Tehaleh Restated Development Agreement, approved
11 under Ordinance No. 2015-31s states, “County Council approval of a separate
12 Development Agreement shall be required for Phase II.” Therefore, the County Council
13 hereby initiates a Development Agreement for Tehaleh EBPC Phase 2 pursuant to the
14 provisions of PCC 18A.100.060.
15

16 Section 2. Negotiation of Acceptable Terms. The Council hereby directs the
17 Department of Planning and Public Works (PPW) to negotiate acceptable terms and
18 conditions to be incorporated into a Development Agreement consistent with the
19 following criteria:

- 20 • The Tehaleh EBPC will be developed with the same types of land uses as
21 established in the 2015 Restated Development Agreement for Phase 1
22 including employment, commercial, civic, residential, public facilities, open
23 space and parks. Residential development and supporting residential
24 accessory uses and associated amenities shall not be the exclusive use in
25 the EBPC.
- 26 • The maximum number of dwelling units permitted throughout the entirety
27 of the Tehaleh EBPC shall not exceed 9,700 dwelling units, provided that
28 the environmental impacts of these dwelling units can be adequately
29 mitigated. In the event that the environmental impacts of the 9,700 units
30 cannot be adequately mitigated, the maximum number of dwelling units
31 allowed within the Tehaleh EBPC will be reduced by the Hearing
32 Examiner such that adequate mitigation of environmental impacts is
33 achieved.
- 34 • Establish a correlation between the number of approved residential
35 building lots constructed and the amount of commercial/office
36 development constructed. Limit the number of building lots available for
37 housing development based on the amount of completed
38 commercial/office space.
- 39 • Development of the Employment Center shall be prioritized. The number
40 of approved preliminary platted lots within the EBPC shall not exceed
41 6,437 until a minimum of 100-acres of employment uses have been
42 established and the necessary utilities and infrastructure have been
43 extended to the perimeter of all employment centers.
- 44 • At a minimum, 10 percent of the Tehaleh EBPC shall be dedicated for and
45 developed with employment uses. High employee generating
46 employment uses are encouraged. No more than 15 percent of the total



1 gross employment acreage dedication shall be improved with low
2 employee generating uses such as storage or warehousing.

- 3 • Establish a ratio between single-family/two-family housing and “age
4 qualified housing”. Multi-family housing will develop at a rate similar to
5 that approved in the Restated Development Agreement for Phase 1.
- 6 • The Tehaleh EBPC shall provide a minimum of 40% of its gross land area
7 to dedicated open space (critical areas, buffers, allees, parks, amenities,
8 etc.). Adequate open space, recreational opportunities and amenities
9 (both passive and active facilities) shall be provided pursuant to the
10 Hearing Examiner’s approval of a park and recreation plan. The park and
11 recreation plan shall include a schedule for completion, correlated with
12 approval of preliminary plats.
- 13 • The required western access roadway improvements between the EBPC
14 and SR-162 will be developer provided roadway improvements. No more
15 than 1,554 dwelling units will be permitted within Phase 2 until the new
16 westerly connection between the development and McCutcheon road is
17 completed and open to vehicular travel. The Development Agreement is
18 intended to provide for potential contributions by other developers.
- 19 • The Pierce County Hearing Examiner previously authorized a conceptual
20 build out of 6,437 dwelling units throughout the EBPC pursuant to a 1999
21 decision. To ensure certainty in the provision of certain key transportation
22 infrastructure, no more than 6,437 dwelling units will be authorized in the
23 EBPC until the new Rhodes Lake Road East corridor to SR-162 including
24 the 128th Street East widening project is complete and the Tehaleh project
25 is in compliance with a WSDOT mitigation agreement for the improvement
26 of SR-162 between 128th Street East and Military Road East. The Council
27 expects that the specific improvement requirements of the WSDOT
28 mitigation agreement will be incorporated in the Development Agreement.
- 29 • Gravel extraction or surface mining activities shall be subject to Hearing
30 Examiner approval through a conditional use permit. Off-site transport or
31 exporting of gravel from the EBPC shall be by way of 198th Avenue East
32 until the new western access roadway improvements between the EBPC
33 and SR-162 are completed. All gravel hauling trucks shall adhere to the
34 Bonney Lake truck route map. Off-site transport of gravel shall be limited
35 to 1,000 trips per week, with a maximum of 300 trips on any one day (a
36 truck and trailer is considered one vehicle and one round trip equals two
37 trips).

38
39 **Section 3. Process.**

- 40 • Following approval of the County Council’s Development Agreement Initiation
41 Resolution, the Planning and Public Works Department shall work with the
42 developer to negotiate acceptable terms to be integrated in a Development
43 Agreement.
- 44 • The Planning and Public Works Department shall submit an Ordinance to the
45 County Council including the negotiated Development Agreement for the
46 Council’s consideration.

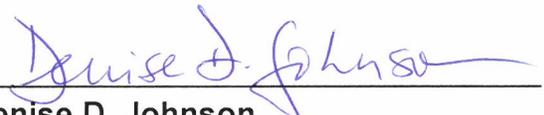


- The County Council shall review the proposed Development Agreement in a public hearing and if acceptable, will adopt an Ordinance authorizing the County Executive to enter into the approved Development Agreement. The Council's public hearing is not intended to duplicate any hearing conducted by the Hearing Examiner in its quasi-judicial role.
- The Pierce County Hearing Examiner shall review and issue final decisions for the EBPC PUD and all quasi-judicial matters associated with the EBPC PUD that are described in PCC Section 1.22.080 including preliminary and final plats, conditional use permits and appeals. Minor Amendments or modifications may be approved by the Department. Major amendments may be approved by the Hearing Examiner. The Examiner shall utilize the Development Agreement approved pursuant to PCC 18A.100 as the basis for all land uses decisions and shall follow the development regulations included in PCC 18A.75 for the EBPC PUD.
- The Development Agreement shall include procedures for modification of the terms, conditions, mitigation and applicable regulations. Amendments to the Development Agreement shall be subject to Council approval.

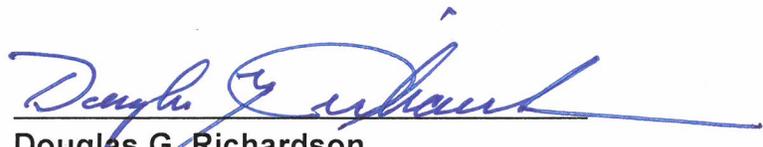
ADOPTED this 10th day of July, 2018.

ATTEST:

PIERCE COUNTY COUNCIL
Pierce County, Washington



Denise D. Johnson
Clerk of the Council



Douglas G. Richardson
Council Chair