DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT
ENVIRONMENTAL COORDINATOR
11511 MAIN ST., P.O. BOX 90012
BELLEVUE, WA 98009-9012

DETERMINATION OF NON-SIGNIFICANCE

PROPONENT: Wright Runstad & Company

LOCATION OF PROPOSAL: 1227 124th Ave NE

DESCRIPTION OF PROPOSAL: Spring District Development Agreement SEPA
Request by WR-SRI 120th LLC (Wright Runstand) to enter into a Development Agreement with the City of Bellevue to allocate 770,000 square feet of development potential under the terms of the Bel-Red Overlake Transportation Study (BROTS) for the Spring District, an approximately 36 acre site located at 1227 124th Ave NE that Wright Runstad desires to redevelop consistent with the Bel-Red Steering Committee Preferred Alternative that concentrates development within a quarter mile radius of potential future light rail stations.

FILE NUMBER: 08-102786-LM

The Environmental Coordinator of the City of Bellevue has determined that this proposal does not have a probable significant adverse impact upon the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(C). This determination was made after the Bellevue Environmental Coordinator reviewed the completed environmental checklist and information filed with Land Use Division. This information is available to the public on request.

☒ This DNS is issued after using the optional DNS process in WAC 197-11-355. There is no further comment period on the DNS.

☐ This DNS is issued under WAC 197-11-340(2) and is subject to a 14-day comment period from the date below. Comments must be submitted by 5 p.m. on _____.

This DNS may be withdrawn at any time if the proposal is modified so that it is likely to have significant adverse environmental impacts; if there is significant new information indicating, or on, a proposals probable significant adverse environmental impacts (unless a non-exempt license has been issued if the proposal is a private project), or if the DNS was procured by misrepresentation or lack of material disclosure.

This DNS is only appealable as part of the City's action on the Development Agreement. In order to comply with requirements of SEPA and the State of Washington Growth Management Act for coordination of hearings, any appeal of the SEPA threshold determination herein will be considered by the Growth Management Hearings Board along with an appeal of the City Council's action.

Carol V Helland
Environmental Coordinator

April 3, 2008
Date

OTHERS TO RECEIVE THIS DOCUMENT:
State Department of Fish and Wildlife
U.S. Army Corps of Engineers
Attorney General
King County
Muckleshoot Indian Tribe

CITY OF BELLEVUE
ENVIRONMENTAL CHECKLIST
(Integrated SEPA/GMA Process)

A. BACKGROUND INFORMATION

PROPOSAL TITLE: WR - SRI 120th LLC Development Agreement.

PROPERTY OWNERS' NAME: Wright Runstad & Company, WR – SRI 120th LLC

PROPOSAL LOCATION (street address and nearest cross street or intersection as well as a legal description if available): WR – SRI 120th LLC owns a thirty-six acre parcel within the Bel-Red corridor, known as The Spring District, in the City of Bellevue. WR – SRI 120th LLC's property generally include the area within the corridor bounded by 120th Ave NE on the west, 124th Ave NE to the east, NE 12th Street to the south and NE 16th Street to the north. The affected geographic area is located in Section 28, Township 25, Range 05.

PROPONENT'S NAME: Wright Runstad & Company, WR – SRI 120th LLC

CONTACT PERSON'S NAME: Cindy Edens, c/o Wright Runstad & Company

CONTACT PERSON'S ADDRESS: WR – SRI 120th LLC
1201 3rd Avenue, Suite 2700
Seattle WA 98101

CONTACT PERSON'S PHONE: (206) 447-9000

BRIEF DESCRIPTION OF THE PROPOSAL'S SCOPE AND NATURE:

1. **General description:** The City's adoption of a Development Agreement, which is described in Attachment A, entitled *Development Agreement Terms Summary Sheet.* No physical development is contemplated at this time or as a part of the "Proposal" addressed in this Environmental Checklist.

2. **Site acreage:** Approximately thirty-six (36) acres

3. **Number of dwelling units/buildings to be demolished:** N/A

4. **Number of dwelling units/buildings to be constructed:** N/A

5. **Square footage of buildings to be demolished:** N/A

6. **Square footage of buildings to be constructed:** The proposal is not for specific development projects. Development will be consistent with the terms of the Development Agreement and applicable City of Bellevue Comprehensive Plan policies and development regulations.

7. **Quantity of earth movement (in cubic yards):** The proposal is for a Development Agreement. Actual development in the area will be subject to review at the time a proposal for development is made and must comply with all policies, development regulations and City codes applicable to construction in the Bel-Red corridor at the time the approval is issued or the application is vested.

8. **Proposed land use:** Future development will comply with the proposed Bel-Red zoning regulations. Related to Master Development Plan or Design Review application approval.

9. **Design features, including building height, number of stories and proposed exterior materials:** N/A

10. **Other:** N/A

Proposed timing or schedule (including phasing, if applicable):
Development Agreement adoption and recording by end of May 2008

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

If the Development Agreement is adopted, future development on the WR-SRI 120 LLC property will be consistent with the terms of the Development Agreement and other applicable City of Bellevue Comprehensive Plan policies and development regulations.

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

In addition to this SEPA checklist and the City's anticipated SEPA threshold determination, an EIS for the BROTS Interlocal Agreement was completed in May of 1999, which contained assumptions for future land use to forecast year 2012 within the Bel-Red Corridor ("BROTS"). In addition, an FEIS for the Bel-Red Corridor Project was issued by the City of Bellevue in July of 2007. WR – SRI 120th LLC requests the City of Bellevue to incorporate these studies by reference (per WAC 197-11-635) into the threshold decision for this Proposal.

The above referenced documents can be reviewed and obtained at the City of Bellevue, in person at the City's Service First/Reception desk, or viewed online at http://www.ci.bellevue.wa.us/bel-red_intro.htm.

Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain. List dates applied for and file numbers, if known.

Other than the ongoing Bel-Red Corridor Study, WR-SRI 120 LLC is not aware of any other pending government approvals or other proposals that would affect this property.

List any government approvals or permits that will be needed for your proposal, if known. If permits have been applied for, list application date and file numbers, if known.

Adoption of the Development Agreement by the City Council, pursuant to RCW 36.70B.170-200.

B. Environmental Elements

No discussion of the individual Environmental Elements is required for GMA actions per WAC 197-11-235.3.b.

C. SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS (do not use this sheet for project actions)

SUMMARY

Project Summary: This Proposal is limited to the City's adoption of a Development Agreement with WR – SRI 120th LLC regarding allocation of transportation capacity under BROTS. No physical development is contemplated at this time or as a part of the Proposal addressed in this Environmental Checklist. Moreover, no physical development is being proposed at this time. Future development proposals will be subject to applicable regulations and Comprehensive Plan policies in effect at the time of application. The Development Agreement is expected to be consistent with the Summary of Development Agreement Terms appended as Attachment A and incorporated by reference into this checklist.

Environmental Summary per WAC 197-11-235(3)(b):
State the proposal's objectives: To ensure that the redevelopment of the WR-SRI 120th LLC property is consistent with the City's long-term vision for the Bel-Red Corridor and the City's obligations under the BROTS interlocal agreement.

Specify the purpose and need to which the proposal is responding: WR-SRI 120th LLC controls a large property in the City's Bel-Red Corridor. It is in the City's interest to ensure that the future redevelopment of this property will be consistent with City standards.

State the major conclusions, significant areas of controversy and uncertainty: The terms of the proposed development agreement are set forth in Attachment A. Development consistent with the City's proposed Bel-Red land use regulations is desirable. No areas of controversy or uncertainty are anticipated beyond those that generally accompany the design and approval of a large development project.

State the issues to be resolved, including the environmental choices to be made among alternative courses of action: Alternative courses of action include: the no action alternative, which entails not negotiating a Development Agreement. A second alternative is to not negotiate a Development Agreement, but approve future development. Under the no action alternative, the property could develop under City of Bellevue zoning and development standards. The proposed Development Agreement alternative provides certainty about the development standards that will apply to the future development of property.

State the impacts of the proposal, including any significant adverse impacts that cannot be mitigated: The proposal is a nonproject action to execute a Development Agreement governing certain aspects of development. Other than as modified through the Development Agreement, all City codes and regulations will apply to future development. Specific development proposals will be subject to project level environmental review. There are no anticipated significant adverse environmental impacts from the current proposal.

Describe any proposed mitigation measures and their effectiveness: No specific development is being approved with this proposal. No significant environmental impacts have been identified, therefore no mitigation measures are proposed. Future development under the provisions of the regulation will be subject to SEPA review, as well as to the City's existing comprehensive plan policies and development regulations.

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?

The proposed Development Agreement will not increase the potential impacts to water, air and earth resources or noise production.

Proposed measures to avoid or reduce such increases are: N/A

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

The proposed Development Agreement will not increase the potential impacts to plants and animals. The property is an existing industrial site.

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

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

No adverse impacts to energy or natural resources are anticipated.

Proposed measures to project or conserve energy and natural resources are: N/A

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 proposal is not anticipated to affect or use environmentally sensitive areas or areas designated for government protection. The property currently contains former Safeway warehouses and storage buildings. Some potential steep slopes may exist on site and will be addressed in the future in the course of any site-specific development proposal.

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

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?

The proposal is not within the shoreline area. The area is currently zoned for light industrial. Future anticipated zoning may included mixed-use office space, neighborhood retail space, and housing units.

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

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

No demands on transportation or public services and utilities are anticipated from the Development Agreement. Any future impacts from a site-specific development proposal will be addressed consistent with the City's comprehensive plan policies and development regulations.

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

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

No conflicts are known or anticipated.

D. 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 C Edens

Date Submitted 3/28/08

ATTACHMENT A – SUMMARY OF DEVELOPMENT AGREEMENT TERMS

A. Allocation of 770,000 s.f. of Commercial Development under BROTS

Calculation of Allocation

Portion of allocation associated with WRC on-site demolition	389,358 s.f
Portion of allocation needed from BROTS development square footage	+380,642 s.f.
Total Allocation requested by WRC	770,000 s.f.

The allocation will occur upon execution of the Development Agreement (DA) under the terms of the existing BROTS Interlocal and remain in effect under the terms of any successor agreement(s) adopted prior to the expiration of this DA. If the City enters into a successor interlocal to BROTS prior to the expiration of this DA, and such interlocal includes sufficient development square footage, then the DA will provide for an equivalent amount of development potential for WRC, as calculated or determined under the successor interlocal.

B. No approval of project related actions

Applications for permits necessary to approve project specific development will be required.

C. Future project approvals must comply with applicable regulations

Future project approvals must comply with all policies, development regulations and City codes applicable to construction in the Bel-Red corridor at the time the approval is issued or the application is vested.

D. Time limit on allocation

The allocation of BROTS square footage under the DA will remain in effect until the earlier of:

1. One year after adoption of new Bel-Red zoning regulations enabling redevelopment if a Master Development Plan or Design Review application is not filed within that one year period;
2. Upon expiration of a Master Development Plan or Design Review approval for redevelopment, provided that such approval is applied for within one year of adoption of the Bel-Red zoning regulations;
3. The date the first building permit for the improvements is issued (in which case the allocation will remain in effect for the period of the applicable building permit); or,
4. December 31, 2012 (expiration date of current BROTS Interlocal)

E. Right to impose new requirements

The City reserves to itself the right to impose new or different terms to the extent required by a serious threat to health or safety.

F. Public Benefit Consideration

In return for entering into a DA that contains the terms outlined above, Wright Runstad proposes the following public benefits:

1. Monetary Contribution to Fund Consultant Work for Bel-Red Code Amendment
   WRC will contribute 75 percent of the cost of legal and consulting work related to Bel-Red planning and specifically related to infrastructure studies and analysis that would benefit new development or redevelopment on WRC property, as described in more detail below. Total contribution will not exceed $75,000 and will be dedicated to reimbursement of funds expended under new or existing contracts between the City and third party consultants relating to the following scope of work.

   a. The legal review of possible financing tools available for funding infrastructure improvements (e.g., 63-20 and/or LID's).
   b. The design of roadway and bicycle improvements at the new intersection of 16th and 120th to minimize car, rail and bicycle conflicts.

2. Contract Management
   a. The City will contract for the work, and provide direction to consultants engaged to complete the work.
   b. WRC may review draft work products and provide comments to the City; and the City may respond to any comments that arise from that review, but reserves to itself all decisions regarding the work of the consultant.