

STAFF REPORT

Date: April 4, 2022
To: City of Lacey Hearings Examiner
From: Samra Seymour, AICP, Senior Planner - City of Lacey Community & Economic Development Department
Subject: Project# 20-310: Meridian Market & Gas

I. GENERAL INFORMATION

- A. Applicant/Property Owner:
Navi Grewal, Northwest Investors LLC
30514 25th PI SW
Federal Way, WA 98023
- B. Authorized Representative:
Brad Kaul, Kaul Design Architecture
1733 Ferndale Ave SE
Renton, WA 98058

II. DESCRIPTION OF PROPOSAL

Proposal to construct 4,000 square foot convenience market, with 1,000 square feet of second, or half-story general office space, and four associated fueling islands, as well as an additional 4,000 square feet of commercial/retail space, and associated site improvements.

III. LOCATION OF SUBJECT PARCEL

The site address is 8808 Campus Glen Dr NE, Lacey, Washington 98516. The parcel number is 11936340200 and it is located in Section 36, Township 19N, Range 1W, W.M., Lacey, Thurston County, Washington.

IV. SITE PLAN INFORMATION

Parcel Size: 1.5 acres (65,340 square feet)
Water: City of Lacey
Sewer: City of Lacey
Access: Campus Glen Drive NE and London Loop NE
Power/Natural Gas: Puget Sound Energy
Fire Protection: Lacey Fire District #3

Site Characteristics:

The site is mostly flat to gently rolling with a short slope along the northern property line that runs east/west through the parcel. According to the USDA Web Soil Survey, the one soil type on this site is the Alderwood gravelly sandy loam – a moderately deep, moderately well-drained soil, with a weakly cemented hardpan at a depth of 20 to 40 inches.

There are two types of cover on the subject site. Type I describes approximately 22% of the site and is characterized by a dense stand of Douglas-fir, as well as Pacific madrone, Scouler’s willow, red alder, and Pacific dogwood. There are 58 trees in this cover type, with varying tree condition. Type I cover also includes sparse understory vegetation of evergreen huckleberry and salal. Type II makes up most of the land area, and is characterized scattered trees (Douglas fir and Pacific Madrone) and an open field. There is a total of 17 trees in Type II. Understory vegetation consists of Himalayan blackberry, scotch broom, grasses, and broadleaved weeds.

Surrounding Land Uses and Zoning:

The subject parcel is currently undeveloped and is zoned Neighborhood Commercial.

The parcel is bordered on the north by the Campus Pointe subdivision in the Moderate Density zoning district. There are six single-family lots directly adjacent to the subject parcel.

The property across the street to the east is zoned Open Space Institutional and is owned and maintained by the City of Lacey. This thirty-acre parcel extends from Willamette Drive NE to Campus Park Drive NE, and south the Campus Glen Drive NE. It contains the William Ives Trail.

Across Campus Glen Drive to the southeast, is the Meridian Neighborhood Park – a 24-acre park with restrooms, picnic shelter, playground equipment, half basketball court, and open play area. The park is zoned Open Space Institutional – Park.

To the south and southwest is the Campus Reserve subdivision, located in the High-Density zoning district.

Across Willamette Drive to the west is the Campus Glen subdivision, located in the Low-Density zoning district.

V. ENVIRONMENTAL EVALUATION

The environmental checklist for this project has been reviewed and a mitigated determination of non-significance was issued on March 18, 2022. The Optional DNS process was used and the comment period for the project began on March 23, 2021 and ended on April 6, 2021. Notice of the comment period was given by posting the site and

publishing a notice in The Olympian. The City received comments on the environmental checklist from the Department of Ecology, Intercity Transit, and citizens. These comments are attached as exhibits to this report. A Mitigated Determination of Nonsignificance (MDNS) was issued in accordance with the procedures of WAC 197-11-355 and RCW 43.21C. The MDNS was issued based on review of materials submitted with the original application on February 10, 2021 as well as all materials that were submitted to supplement the record. The MDNS is attached as an exhibit.

VI. **APPLICABLE COMPREHENSIVE GOALS AND POLICIES**

The City of Lacey and Lacey Urban Growth Area Land Use Element of the Comprehensive Plan: This document, known as the comprehensive land use plan, was prepared as a joint planning document by the City of Lacey and Thurston County for Lacey and the Lacey Urban Growth Area. There are other general policies in the Comprehensive Land Use Plan, which could apply, but the issues they cover are specifically detailed in the Lacey Zoning Code, which is reviewed in the next section, VIII. The following sections of the Comprehensive Plan apply to this proposal:

A. Chapter III Community Vision

a. Section C: Commercial and Industrial Lands

- i. **GOAL 1:** Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.
- ii. **POLICY A:** Existing core commercial and mixed-use areas, including urban corridors and nodes, should be the primary focus for commercial development, redevelopment, and infill opportunities.
- iii. **POLICY B:** Provide for a compatible mix of housing and commercial uses in appropriate locations that enables people to walk to employment and shopping.
- iv. **POLICY C:** Provide neighborhood commercial zones near residential areas to provide opportunities for neighborhood shopping and services with pedestrian accessibility.
- v. **GOAL 2:** Create vibrant, integrated and well-designed commercial districts in designated areas in the community.
- vi. **POLICY A:** Utilize the City's design review standards to encourage clustered commercial and mixed-use development rather than strip commercial development in urban corridors and nodes.

b. Section F: Transportation and Land Use

- i. **GOAL 1:** Enhance the function, safety and appearance of Lacey's streets.
- ii. **POLICY A:** Ensure coordination with the Transportation Element of the Comprehensive Plan, the Thurston County Transportation Plan, and the Thurston Regional Transportation Plan.

- iii. **GOAL 2:** Support land use policies and plans to allow densities and a mix of uses that reduce the number and length of vehicle trips. Increase the opportunity to use public transportation and non-motorized modes of travel.
- iv. **POLICY C:** Ensure that destination sites, including job centers, commercial areas, office complexes and other economic development generators are connected with multimodal transportation options.
- v. **POLICY D:** Encourage land use policies that support destination sites where uses are close enough together that consumers, customers and other users can access each without the need of an automobile.
- vi. **GOAL 4:** Ensure that private development projects, including subdivision and commercial/retail project design, facilitate measures to improve multimodal transportation.
- vii. **POLICY B:** Require pedestrian-friendly building design within commercial nodes and along corridors. Parking lots serving mixed-use and commercial developments should be located to the rear or sides of buildings.
- viii. **POLICY C:** Private development projects shall provide bicycle parking and a site design that will accommodate transit.

c. Section H: Utilities and Capital Facilities

- i. **GOAL 1:** Ensure that existing utility customers, and future customers, are adequately served by water, sewer, and stormwater utility services that consider both growth demand projections and asset management.
- ii. **POLICY B:** All proposed development should be analyzed for anticipated impact on utilities and services, either as an element of the site plan review, subdivision review, or as part of the environmental impact assessment.

d. Section J: Health & Human Services

- i. **GOAL 1:** Work to achieve a safe, active, and healthy lifestyle for Lacey citizens through community planning and design.
- ii. **POLICY A:** Provide opportunity for a distribution of land use types located within planning areas and within walking distance at one another to encourage pedestrian activity and minimize the need for automobiles.
- iii. **POLICY B:** Design neighborhoods to promote bicycling and walking, encouraging these activities and healthy lifestyle choices.
- iv. **GOAL 2:** Work to achieve a community where residents have convenient access to healthy food, clean water, and affordable shelter.
- v. **POLICY C:** Provide healthy food choice opportunities for urban farming and convenient access to grocery stores and farmers markets.

B. Chapter IV Planning Areas

a. Land Use Hawks Prairie Planning Area

- i. **GOAL 2:** Recognize the planned community approvals for the Hawks Prairie and Meridian Campus Planned Communities.
- ii. **POLICY A:** Allow implementation of uses as designated in the Master Plans.

VII. APPLICABLE MUNICIPAL CODE STANDARDS

The following list depicts the applicable Titles and Chapters of the Lacey Municipal Code that Planning staff relied upon when evaluating this proposal for land use analysis:

- Title 14 - Buildings and Construction
 - Chapter 14.21 - Traffic Mitigation and Concurrency
 - Chapter 14.23 - Design Review
 - Chapter 14.24 - Environmental Policy
 - Chapter 14.27 - Stormwater Management
 - Chapter 14.32 - Tree and vegetation Protection and Preservation

- Title 16 – Zoning
 - Chapter 16.36 – Neighborhood Commercial
 - Chapter 16.57 - Environmental Performance Standards
 - Chapter 16.66 – Conditional Uses and Permits
 - Chapter 16.72 - Off-Street Parking and Loading
 - Chapter 16.80 - Landscaping Requirements

VIII. NOTIFICATION

The application for Conditional Use Permit was received on February 10, 2021, and was deemed complete pursuant to RCW 36.70B.070 on March 19, 2021. The comment period for the Notice of Complete Application had a 14-day comment period that ended on April 6, 2021. A notice was published in The Olympian and the site was posted with the notice of complete application on the subject parcel. These notices are attached to this report as exhibits. The City received comments from internal departments, external agencies and adjacent jurisdictions as well as comments from members of the community. These comments are attached to this report as exhibits.

Written notice of the public hearing was sent to all property owners within 300 feet of the site on March 25, 2022, and notice was published in The Olympian on March 25, 2022, at least 10 days prior to the public hearing. Notice was posted on-site on March 25, 2022.

IX. COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT ANALYSIS

In review of the application, staff evaluated various items related to the proposal particularly as they related to compatibility of the use with the surrounding area and the extent to which this proposal would further the goals of the City of Lacey Comprehensive Plan. The following analysis provides details into the review process as well as review items that warranted special attention and conditions.

A. Background Information

The subject parcel is located within the Meridian Campus Master Planned Community (hereafter, Meridian Campus). Meridian Campus was approved in the late 1980s by Thurston County and established a broad range of land uses, including industrial, commercial, institutional, single-family and multi-family residential, as well as a variety of designated open space areas. When the area was annexed by the City of Lacey in 1992, the subject parcel was designated as “Low Density Residential.” In 2003, the Lacey City Council changed the site’s land-use designation to “Neighborhood Commercial.”

Additionally, this parcel falls within a Neighborhood Node identified in the City’s Land Use Element. (Commercial Centers and Nodes Map, Exhibit 19). The Land Use Element of Lacey’s 2016 Comprehensive Plan states that, “growth will need to be focused in our nodes and urban corridors...The nodes (within the City) and urban corridor are well served by utilities.” The Commercial and Industrial Lands analysis in the comprehensive plan encourages commercial nodes in close proximity to neighborhoods.

B. Permitted and Conditional Uses

As described in the application materials, the applicant is proposing a 4,000 square-foot convenience market/miniature grocery market which will sell a variety of goods including produce, baked goods, deli meats, dry and canned goods, health/beauty products, etc. (Project Narrative, Exhibit 18) The proposal also includes four associated fueling islands with eight total fueling positions. A 1,000 square-foot second (or half) story office space is proposed above the store. An additional 4,000 square feet of speculative retail/commercial space is also proposed.

The Neighborhood Commercial zone allows for many retail, service, and office-type uses, including food stores and grocery and produce sales. ([LMC 16.36.020](#)) It also identifies gas stations as conditional uses, subject to conditional use permit review and approval. (see staff discussion below) Although specific users have not been identified for the 4,000 square feet of speculative retail, future uses must also be consistent with the permitted uses identified in LMC 16.36.020. Tenants are typically reviewed for zoning compliance during the business license and building permit approval process.

A stand-alone market or convenience store would be permitted through the City's administrative review process, or Site Plan Review process. However, the gas station component of the subject proposal requires review under the conditional use permit process. Conditional use permits are typically required for projects that might be out of character (i.e. size, scale, or intensity) with the permitted uses in the surrounding area. [LMC 16.66.050](#) establishes that, "the design standards for permitted uses in the underlying zoning district should be the initial basis of reference in determining the design standards for conditional uses in the same district." However, LMC 16.66.050 also provides the authority to alter or vary the underlying district's design standards when the, "alteration or variation can be found to be reasonable to protect adjacent properties or the health or general welfare of the community."

C. Design Standards and Neighborhood Compatibility

The purpose of the Neighborhood Commercial (NC) zone is to, "provide the opportunity for the development of small commercial facilities in residential areas catering to the day to day needs of consumers for a limited range of convenience goods and services." ([LMC 16.36.010.A](#)) This is reflected in the types of uses identified in LMC 16.36.0020. Additionally, the ordinance identifies a number of characteristics that development proposals in the NC zone should adhere to ([LMC 16.36.030.B](#)):

- Small building size – Small building size is specified as single use buildings with less than 10,000 square feet. (Buildings with multiple uses are capped at 40,000 square feet.) The proposal includes two buildings – 4,000 and 5,000 square feet.
- Low traffic generation – Although the LMC does not quantify or define low traffic generation, staff was able to characterize the likely impacts of the proposal, in terms of land use and trip generation. The trips generated by a convenience market with gas pumps were compared to the same use without gas pumps. A convenience market with gas pumps generates approximately twenty percent fewer average weekday daily traffic (AWDT) trips than a market without gas pumps. (See Table 1 below, excerpted from Exhibit 16.) "Fueling services [are] more of an ancillary use allowing motorists to also fuel their vehicle while utilizing the market. Although the fuel pumps change the proposed use into a conditional use, vehicular activity levels are estimated to be equivalent or lower to that of a standalone market where the site may accommodate additional parking opportunities as opposed [to] space allocated to fuel islands."

Table 1: Convenience Market Trip Generation Comparison

Land Use	Size	AWDT	AM Peak-Hour Trips			PM Peak-Hour Trips		
			In	Out	Total	In	Out	Total
<i>Conditional Use</i>								
Convenience Market w/ Gas Pumps (LUC 853)	4,000 sq. ft.	2497	81	81	162	98	99	197
<i>Allowed Use</i>								
Convenience Market Only (LUC 851)	4,000 sq. ft.	3049	125	125	250	100	96	196

The trip generation evaluation also notes that the trip generation data for the proposed land use, “does not differentiate between a facility constructed along a heavily traveled arterial (i.e. Marvin Road NE or Martin Way E) vs. a more lightly traveled roadway such as those that serve the proposed development (i.e. Campus Glen Drive NE or Willamette Drive NE.) In review of traffic volumes along Willamette Drive NE, the [actual] trip generation to and from the site may be lower than the values shown in [Table 1].”

As noted above, the inclusion of gas pumps with the convenience market necessitates the conditional use permit review. Based on the analysis in Exhibit 16 staff finds that the vehicular traffic generated by the subject proposal would be equal to *or less* than the traffic that would be generated by a similar use *without* gas pumps – a use allowed by right under the NC zoning ordinance.

Note that the total trip number above does not reflect total new trips, as this table does not include pass by traffic. Additional traffic analysis will be provided below in staff’s discussion of City requirements outside of Title 16.

➤ Considerable walk-in trade – Consistent with the Neighborhood Commercial intent statements emphasizing pedestrian accessibility, the permitted uses cater to the day to day needs of consumers in the surrounding neighborhoods. While gas pumps are certainly an auto-dependent use, the majority of uses on the site will be those that can cater to the many nearby neighborhoods.

A market assessment for done for the project estimated that there is a primary market of approximately 9,500 residents for the subject site. (Exhibit 17 And while a portion of this population is probably located further than could be reasonably be expected to walk, there are fifteen single-family subdivisions within one-half mile of the subject site, as well as six multi-family projects, either constructed or in the development process, which represents a large potential

for walk-in business. Additionally, the location of the Meridian Neighborhood Park directly across the street increases the opportunity for walk-in business.

Although pedestrian accessibility is emphasized, the Neighborhood Commercial zone does not intend to exclude all auto dependent uses. Rather, the intent of including commercial nodes within residential areas is to reduce the number and length of vehicle trips. (See Land Use Element, Transportation and Land Use Goal 2 above, Section VI) This can be done by siting commercial opportunities in centrally located areas that are able to be accessed by pedestrians from nearby homes, and more conveniently to residents who then don't need to drive as far to access basic daily goods and services.

➤ Moderate Lighting – Site and building lighting is an important element of site design and critical to ensuring commercial development is compatible with adjacent residential uses. Pedestrian scale lighting should be used on site to the greatest extent possible. This includes internal parking lot and site lighting, as well as security lighting on buildings. An exception to this may be the necessary lighting underneath the fuel island canopy. However, care should be taken to ensure that canopy lighting is designed to avoid glare onto adjacent properties. A condition of approval would be appropriate to ensure lighting is consistent with the scale of the neighborhood. A final site lighting plan will be required as part of commercial design review.

Retention of existing mature vegetation can also be used to mitigate potential lighting impacts. The applicant is proposing to retain most of the existing trees along the north end of the property, adjacent to the existing residential. The forester's initial tree evaluation found most of the trees in this area to be healthy trees and potentially suitable for retention. (Exhibit 15) A condition of approval would be appropriate to address tree retention and protection on site in order to minimize impacts to the neighborhood.

➤ Quiet operations - Operations on site are subject to [LMC 16.57.030](#) for maximum allowable noise levels. Further, the site has a deliberate building placement and orientation, intended to minimize noise (as well as other visual) impacts to the adjacent residential. (Further staff analysis on site design can be found below.)

With the exception of building setback standards, the site complies with the criteria found in [LMC 16.36.050](#). The Conditional Uses and Permits chapter of the Lacey Municipal Code identifies authorizes the enforcing officer to alter or vary the design standards of a district when it is found to be reasonable to protect adjacent properties ([LMC 16.66.050](#)). The Examiner should consider waiving the typical setback standards in the Neighborhood Commercial district, in order to ensure a

more thoughtful and protective site design, as it relates to the adjacent residential structures.

The subject parcel, considered a corner parcel, is unusual because it is surrounded on three sides by public right-of-way, resulting in three front yards. The yard adjacent to the existing residential structures is considered a side yard. The standard setbacks in the neighborhood commercial zone:

Front, maximum ten feet;
Rear, minimum fifteen feet;
Side, minimum ten feet. ([LMC 16.36.050.F](#))

In zones with a pedestrian emphasis, such as the Neighborhood Commercial, it is typically the goal to enhance the pedestrian environment by requiring buildings to be sited closer to the sidewalk. In terms of urban design, this has the effect of framing a streetscape and creating a more pedestrian scaled street and sidewalk environment. It allows for pedestrian entrances to be located directly facing sidewalks serving pedestrians. This also typically results in the locating of parking areas to the side or rear of buildings, and thereby providing screening of parking areas from the street.

When, however, commercial sites are located directly adjacent to existing residential, it requires balancing pedestrian design elements with potential impacts to neighboring homes. In the case of the proposed convenience market and gas station, staff is recommending that the maximum ten-foot front yard setback be waived in order to locate the building between the existing residential homes and the vehicles associated with the commercial development. Impacts from vehicles in parking lots can create noise, and glare from headlights when located directly adjacent to residential properties. The buildings, as well as retention of the existing mature vegetation, will help mitigate unnecessary impacts to the existing residential homes.

For the same reasons discussed above, the Examiner should consider waiving the parking requirement in [LMC 16.36.070.D](#).

It is also worth noting that the minimum side yard setback in this zone, ten feet, is not large enough to accommodate the minimum landscaping area that is required between commercial and residential properties. Fifteen feet of Type I landscaping is the standard requirement between these two land uses. ([LMC 16.80.030.B](#)) Although, this is a minimum setback (as opposed to a maximum) it would not be feasible on the subject site given the landscape requirements. Furthermore, as shown on the submitted site plan (Exhibit6) the applicant is proposing a setback that well exceeds the minimum required.

Although, the Examiner should consider waiving the front yard setback requirement, care should still be given to address the proposal's pedestrian experience and accessibility. It is current urban design practice to screen gas station fueling stations from street view – often by placing them behind or to the side of a building. As discussed above, there are legitimate reasons why placing the fueling pumps behind the building is not a desirable outcome on the subject site. In order to provide both screening for the fueling islands and to enhance the pedestrian environment along Campus Glen Drive and London Loop, the applicant is proposing a pedestrian plaza and screening feature, to include landscaping, trellises, and seating. (Conceptual site perspectives, Exhibit 9) This feature will help frame both the site's southwest intersection as well as the streetscapes along both street frontages, and should be required in any permit approval. The final plaza design will be approved through the Commercial Design Review process.

Additionally, [LMC 14.23.082.G](#) provides guidance for commercial development compatibility with the residential neighborhoods. Several of these criteria are addressed above, however, architectural design of the buildings is also an item of consideration. The commercial design review process should consider how the proposed buildings will integrate with the existing residential areas. Varying roof lines and pitch, glazing, weather protection, as well as colors and materials can be used to create buildings that blend with the adjacent neighborhood. ([LMC 14.32.082.A.8](#)) Design Review should also consider the fueling canopy height. Canopy height should be the minimum height necessary to service passenger vehicles.

The applicant indicated in their submittal materials that the hours of operation would be between 5am and 11pm (GLU Exhibit #). Given the proximity to adjacent residential and the potential, the Examiner should consider a condition to limiting the hours to those stated by the applicant in their submittal materials.

D. Trees and Vegetation

The Meridian Campus Master Plan, approved and adopted by the City of Lacey in 1992, was required to set aside twenty percent of the site (230 acres of the 1,154 acres) as open space. As a result of the initial land set aside, all projects in Meridian Campus, including the present proposal, are considered in compliance with the five percent tree tract requirement required under [LMC 14.32.064](#). Although this proposal will not be required to set aside an additional five percent of the site in tree tract area, the project is proposing to retain most of the existing trees on the north end of the site. The City of Lacey Contract Forester has visited the site and reviewed the site plan and has provided recommendations for tree retention. Conditions of approval should be put in place to reflect the recommendations of the Forester.

E. Traffic and Streets

The street network adjacent to the site is existing and no new public roads will be dedicated as part of the development. The site will be accessed from both London Loop NE and Campus Glen Drive NE. Vehicle access on Campus Glen Drive will be limited to right-in-right-out only. Additionally, frontage improvements serving the subject property were installed with previous development, with the exception of the remaining frontage along London Loop, which will be installed with this project consistent with the City's development guidelines. Comments from the City of Lacey Transportation Division did not identify concurrency failures at impacted intersections. However, Transportation staff determined that eighty (80) new trips would be generated by this proposal during the PM peak hour* (4pm-6pm) and that eight street projects would be impacted by traffic generated by this proposal. The project will be assessed traffic mitigation fees based on a proportionate share of the total cost of the impacted street projects, consistent with [LMC 14.21](#). (Exhibit 38)

Although, the project does not warrant installation of an intersection control at Willamette Drive and Campus Glen Drive, the project will pay a proportionate share towards the planned roundabout for this intersection. While not at the final design stage, the roundabout will be similar in design to the existing roundabout at Willamette Drive and 31st Avenue.

*Note on PM peak-hour trips: The PM peak-hour trips identified in Table 1, include pass-by trips. Pass-by trips are defined as vehicles already captured on the adjacent roadway and are subsequently attracted to the site for a convenience-based stop. These trips are not considered as new trips but will impact the site's access point. The PM peak-hour trips identified for mitigation by the City of Lacey, only account for new PM peak-hour trips, that would not otherwise be on the City's street network.

F. Stormwater

The site is located on Alderwood series soils, which are underlain at shallow depth by glacially-compacted till which precludes effective on-site infiltration of stormwater. This project proposes that runoff from the site improvements will be intercepted on-site by catch basins and conveyed via storm pipes to on-site facilities, consisting of a StormFilter for basic water quality treatment, followed by a detention vault for flow control, then release to the roadway storm system which drains to the Meridian Campus regional infiltration pond, on the west side of Willamette Drive. Stormwater engineers with the Public Works Department have reviewed the proposed stormwater site plan and have determined that, with conditions of any permit approval, it will meet the requirements of Lacey's Stormwater Design Manual.

G. Other agency comments

Olympic Regional Clean Air Agency (ORCAA) submitted comments notifying the applicant of the requirement to install a California Air Resource Board (CARB) certified Storage I Enhanced Vapor Recovery (EVR) system. (Exhibit 34)

InterCity Transit submitted comments noting the location of an existing bus stop just north of the subject site. No new bus-related infrastructure was requested. (Exhibit 32)

Both the Squaxin Island Tribe Cultural Resource Department and the Nisqually Indian Tribal Historic Preservation Office submitted comments relating to inadvertent archeological discoveries. The Examiner should consider conditioning any approval to address these comments.

The Washington Department of Ecology noted existing regulations would need to be met by the proposal, including those for grading and filling, toxics cleanup from the Tacoma Smelter Plume (which became a condition of the MDNS), and the need to obtain a construction stormwater permit from Ecology. Ecology did not note, but it is worth noting, that Underground Storage Tanks are permitted through the Washington Department of Ecology and subject to the safety regulations found at Chapter 173-360A WAC.

X. HEARING EXAMINER AUTHORITY

The Hearings Examiner has the responsibility and authority to recommend action to the City Council on Conditional Use permits. Pursuant to section 2.30.140 of the Lacey Municipal Code, the Examiner has the authority to render a decision on the application which may be to grant, deny, or grant with such conditions, limitations, modifications and restrictions as the Examiner finds necessary to make the application compatible with its environment, the comprehensive plan, other official policies and objectives and land use regulatory enactments.

XI. SUMMARY OF STAFF ANALYSIS

In the professional opinion of Community & Economic Development and Public Works staff who have reviewed the proposal that the Conditional Use permit is consistent with the City Comprehensive Development Plan, the City Zoning Code, and other applicable codes and regulations provided that the conditions recommended under Section XII, are implemented.

XII. STAFF RECOMMENDATIONS CONCERNING ACTION ON THE PROPOSED CONDITIONAL USE PERMIT

Based upon the above analysis, city staff believes the Hearing Examiner should recommend approval of the Conditional Use Permit, with conditions, to the City Council. The project shall be in substantial conformance with the plans on file, except as modified below:

CONDITIONS OF PROJECT APPROVAL: CONDITIONS UNIQUE TO THIS APPLICATION

Community & Economic Development Department:

Planning

1. All requirements of the MDNS issued on March 18, 2022 shall be satisfied.
2. Hours of operation for all businesses on site shall be limited from 5am until 11pm.
3. Prior to building permit issuance, the developer shall receive commercial design review. In addition to standard commercial design review criteria the submittal should include and/or address the following items:
 - A lighting plan, including site and building lighting. Pedestrian scaled lighting shall be used to the greatest extent possible;
 - Pedestrian plaza plan, including screening element for fueling islands, trellises, seating, and landscaping;
 - Narrative addressing how the project integrates with the existing residential development;
 - Analysis of fueling canopy height. The fueling canopy shall be the minimum height necessary to accommodate passenger vehicles.
4. The following note shall be on the building, grading and land clearing permits:

When an unanticipated discovery of protected cultural materials (e.g. bones, shell stone tools, beads, ceramics, old bottles, hearths, etc.) or human remains are discovered, the property owner or contractor will immediately stop all work, completely secure the location, and contact the Washington State Department of Archeology and Historic Preservation and other contacts as identified in the City of Lacey Standard Inadvertent Archeological and Historic Resources Discovery Plan (LMC 16.53.080).
5. All trees identified as cover Type I in Washington Forestry Consultants' April 12, 2021 report shall be retained unless deemed a hazard by the City's contract forester. Additional tree planting may be necessary if the minimum requirements for a Type I landscape buffer cannot be achieved by existing vegetation at the time of Certificate of Occupancy.
6. No trees shall be removed until a grading permit has been issued. Grading plans shall be designed to consider tree retention on the site. Prior to any site clearing and/or construction activities occurring all tree protection fencing shall be placed around the perimeter or the tree protection and tree tract areas, and around any individual trees selected to be retained. Tree protection fencing shall be shown on the grading plans for the proposed project. A detail of the tree protection fencing can be found in the tree report prepared for this project by Washington Forestry Consultants, dated April 12, 2021.

7. The final landscape plan shall identify and incorporate trees to be retained on-site. Tree replanting shall also be required within the tree tract if existing trees are not sufficient to meet canopy coverage requirements of LMC 14.32. The trees to be planted within the tree tracts shall be identified on the landscaping plans prepared for this project and shall be subject to review and approval by the City of Lacey Forester. All evergreen tree species shall be resistant to laminated root rot. Landscape and a separate irrigation plan shall be submitted to the Planning section of the Community and Economic Development Department for review and approval prior to the issuance of the vertical building permits for the project.
8. Tree protection shall follow the Timeline for Tree Protection Activity outlined on page six of the report dated April 12, 2021. Trees identified for protection shall be protected throughout all phases of construction activity, with orange, mesh, construction fencing on steel driven posts. A detail of the tree protection fencing, the locations of the tree protection fencing, and the Timeline for Tree Protection Activity, shall be shown on the grading plans for the project.
9. Prior to any site construction activities taking place, a preconstruction meeting shall be held with Washington Forestry Consultants to review the location of the tree protection fencing. A note stating that a preconstruction meeting shall be held with Washington Forestry Consultants shall be shown on the grading plans for the project. Confirmation from the Forester that the meeting has been held shall be provided to the Community Development Department prior to the start of site construction or grading activity.
10. Prior to site construction activity the contractor completing any tree removal or logging work shall sign and submit the "Acknowledgement of Responsibilities for Professionals Doing Tree Removal in the City of Lacey". The form shall be submitted to the Planning Department prior to issuance of the grading permit.

Fire Code

11. One fire hydrant shall be provided for the site. The required fire-flow for the building shall be not less than 1,500 gpm for 2 hours in accordance with IFC Appendix B. Said fire-flow is based on square footage/ building construction type, including a 50% credit for the installation of automatic fire sprinkler systems. (IFC section 507.1 LMC 14.07.015). The initial calculation is based on type 5b wood framed construction as a worst case scenario for fire flow.
12. The proposed building shall require an approved automatic sprinkler system. Installation shall be in accordance with NFPA 13 (2016 Edition) standards. In addition a fire department connection shall be installed in accordance with (LMC 14.07) a fire department connection shall be located within 40 feet of a fire hydrant. The building shall have its own FDC line with KNOX locking caps or plugs.

13. An approved addressable fire alarm system with supervised monitoring shall be provided in the addition in accordance with LMC 17.07 and NFPA 72 Standards (2016 Edition).
14. An approved 20-foot wide all-weather surface fire apparatus access roads shall be provided to within 150-feet of all exterior portions of the buildings at ground level. Said fire apparatus access road shall be located not less than 10-feet from the building. (IFC Section 503.1)

Public Works

Water

15. The existing water extension to the site shall be utilized to provide domestic water service for the proposed building, meet Lacey Fire requirements and satisfy water quality requirements. If a main is extended on site, it shall be looped from the existing water extension to the site back to the main located in London Loop. Main extensions shall be located on the north/east side of the road or drive area 6 feet off center line. (DG&PWS 6.010 and 6.020).
16. An irrigation meter with a Double Check Valve Assembly backflow prevention device is suggested for all landscaped areas. (DG&PWS 6.120 F)
17. A Reduced Pressure Backflow Assembly device shall be installed for the domestic meter. (DG&PWS Appendix P)

Sewer

18. A side sewer shall be extended to provide sewer service to the proposed building and to collect runoff from under the fueling canopy area. The side sewer shall connect to a manhole. The side sewer shall not connect to the manhole with an angle less than 90 degrees in relation to the outlet pipe. (DG&PWS, Sewer 7A.015)

Stormwater

19. Stormwater from this site shall be treated and infiltrated in accordance with Meridian Campus Master Drainage Design allowances.
20. An awning shall be installed above the fueling islands. The area under the awning shall be designed and constructed so it is collected and discharge to sewer. This area shall also be designed and constructed to prevent stormwater from entering the awning area.
21. An appropriately sized oil water separator shall be installed prior to the sewer connection associated with the fueling area.

22. At a minimum the following conditions/items shall be incorporated into the fueling area design and construction:
- Double wall fiberglass or fiberglass clad tanks
 - Double wall fiberglass or flexible piping
 - Double wall piping on any phase 2 vapor recovery system installed.
 - Interstitial monitoring of the tanks and piping system
 - Fiberglass or plastic turbine sumps (monitored as the interstitial space for the piping)
 - All interstitial monitoring systems should be able to alarm for water and petroleum products and should discriminate between the two
 - Fiberglass or plastic dispenser sumps (catch basing under the dispensers), interstitially monitored for releases
 - Automatic line leak detectors as standard leak detection equipment
 - Monitoring wells placed on the edge of the excavation for the tank pit, at least 1 foot below the level of the tank bottom and down gradient.
 - Deeper monitoring wells placed at the edge of the property and down gradient.
 - At a minimum, yearly testing of any installed monitoring well.
 - The site shall be attended during hours of operation.
23. All State of Washington and Federal Fueling requirements shall apply to the fueling area design and construction.

Transportation

24. Frontage improvements along Willamette and Campus Glen Drives were previously installed. Ramps adjacent to the project shall be brought up to current ADA standards. (DG&PWS, 4C.030 7.)
25. Adequate right-of-way for the future roundabout at Willamette and Campus Glen Drives shall be dedicated with this project.
26. The proposed access onto Campus Glen Drive is limited to a "Right in/Right out". Full access to the site shall occur from London Loop.
27. Landscaping and irrigation matching the east side of London Loop shall be installed. If sod is not desired, other approved landscaping materials identified in section 4G 110 of the City of Lacey 2017 Development Guidelines and Public Works Standard Manual may be substituted.
28. The traffic mitigation identified as of October 26, 2021 is \$61,700.28 and will mitigate off site traffic impacts for this project. The actual fee will be determined at the date of payment for issuance of building permits, water meters, or other approval process. The fees increase annually in an amount equal to the increase in

the Engineering News Record Construction Cost Index over a date one year earlier.
(LMC 14.21)

CONDITIONS OF PROJECT APPROVAL: GENERAL CONDITIONS

The conditions below are summaries of ordinances and standards that apply to approval of this application regardless of any specific impacts of this proposed development. The list is intended as a courtesy notice and not as an exhaustive list of legal requirements that may apply to an approval of the application. The list is also a summary of the legal requirement; if there is a conflict between the summary and the ordinance, the language of the ordinance controls.

Community & Economic Development Department:

Planning:

28. A detailed landscaping plan shall be prepared by a licensed landscape architect, nursery person, or landscaper and submitted to the Planning Department for review and approval. The plan shall include the type, number, and location of the vegetative improvements as well as a specific time line for completion of the improvements. A separate irrigation plan must also be submitted showing the location of all irrigation lines, location of sprinkler heads, and approximate coverage areas. The plans must include a note stating that the property owner is responsible for maintaining all plants in a healthy growing condition for the life of the project. All requirements of Chapter 16.80 of the Zoning Code shall be satisfied. (LMC 16.80)
29. If Certificate of Occupancy/Final Inspection is requested prior to the installation of the approved landscaping and irrigation, a detailed estimate from a landscape installer must be submitted to the Planning Department. The estimate should include all costs associated with installing landscaping and irrigation as called out on the approved plans, including labor. (LMC 16.80)]
30. If condition #29 is required, a financial security must be provided to the Planning Department in the amount of 150 percent of the above mentioned landscape estimate. The City shall release this financial security once the landscaping for the project is installed and approved by the Planning Department and a financial security is in order to ensure that all plant materials are properly maintained. This security device shall be in the amount of twenty (20) percent of the value of the vegetative improvements and shall be held for a period of two (2) years. (LMC 16.80)
31. A note shall be placed on the face of the landscaping and irrigation plans stating that any irrigation lines placed within tree protection zones established for the project must be installed in such a manner as to not cause damage to the root protection zone, such as by cutting roots, digging trenches, operation of machinery, etc. Special care must be taken (hand digging trenches, designing lines to stay out of these areas where possible, etc.) to ensure damage to the trees does not occur. In the event

damage to these areas does occur, the city may require, at their discretion, replacement of the comparable landscape value of the trees damaged or other means to make up that loss. (LMC 16.80)

32. Prior to the issuance of any building permits, the developer shall receive commercial design review approval from the City of Lacey. The site and building design shall be in conformance with section 14.23.082, 14.23.084, and 14.23.086 of the City of Lacey Design Review chapter. A Design Review application and supporting materials shall be submitted prior to submitting building applications. (LMC 14.23)
33. A sign permit shall be issued by the City of Lacey prior to the installation of any signs on the subject site. (LMC 16.75)
34. All applicable requirements of the City Zoning Code shall be satisfied.
35. The applicant/developer shall be responsible for obtaining all applicable permits required for the project. For example, these may include a Construction Stormwater General Permit, Notice of Construction (ORCAA) and/or any others. These permits may require additional review time from the appropriate agencies.

Fire Code:

36. Approved 6" minimum address numbers shall be provided on the building in a location facing the fire apparatus access roadway. The address numbers shall contrast the buildings color. (IFC Section 505.1; LMC 14.07.015)
37. An approved Fire Department and Police Department key-box shall be provided on the building in accordance with (IFC Section 506) and (LMC 14.07). Said fire department key-box shall be installed in a location approved by the City of Lacey Fire Code Official. Said key-box shall contain keys necessary for fire department and police department access to the interior of the building and any other location necessary for fire department or police department operations. Go to knoxbox.com for City of Lacey key boxes for Lacey Fire District #3 and Lacey Police Department. Upon completion of the key-box installation, the City of Lacey Fire C Specialist shall install the necessary keys and cover. (IFC Section 506).
38. Approved fire lane marking shall be provided where necessary to discourage obstructions by the parking of private vehicles. Upon completion of final road surfaces and curbing construction, the City of Lacey Fire Code Official shall perform a site inspection to determine locations where fire lane marking will be necessary to discourage the parking of private vehicles. Said fire lane marking, where applicable, shall be provided and approved prior to final occupancy approval. (IFC Section D-103.6; LMC 14.07.015)

39. Fire extinguishers shall be provided every 75 feet in accordance with LMC 14.07. Fire extinguishers shall be the 2a10bc type.
40. The City of Lacey fire code official shall conduct the necessary inspections or witness required tests to ascertain compliance with applicable fire codes. The applicant shall contact the City of Lacey Building Department, at (360) 491-5642, to schedule the required inspection or to request witness of required tests. At least 24 hours shall be allowed for scheduling. (IFC Section 106.2)

Public Works Department

Water

41. For Irrigation lines located in the Right of Way, the following shall be stated on the irrigation plans and is a condition of approval: "The property owner adjacent to the public Right of Way will be responsible for maintaining and locating all irrigation lines located in the public Right of Way". (DG&PWS, Water, Irrigation 6.210)
42. Water system improvements shall meet the requirements of the City of Lacey, the Coordinated Water System Plan (CWSP), Department of Health (DOH), City of Lacey Water System Plan, AWWA, Department of Ecology, Thurston County Environmental Health and City of Lacey Fire Code Official's standards. Actual main size, loop closures, and possible off-site improvements including the number and location of fire hydrants, will depend on the fire flows required and available to the site. (DG&PWS, Water 6.010)
43. To assure adequate water is present for your project. Modeling of the water system shall occur. Please contact Brandon McAllister (360.413.4386) to coordinate the fire flow modeling.
44. If utility extensions are needed for the proposed project for roads that were paved in the last five years and the roads must be "cut", a disruption fee will be charged in accordance with Lacey Municipal Code 12.16.055.
45. The builder/applicant/owner is required to purchase each water meter prior to the issuance of each building permit. (DG&PWS Water 6.121)

Sewer

46. All proposed structures shall be connected to sanitary sewer. (DG&PWS, Sewer 7A.010)
47. Sanitary sewer improvements associated with this project shall meet the requirements of the City of Lacey Comprehensive Sanitary Sewer Plan, Thurston County Health Department, Washington State Department of Health (DOH), the

LOTT Clean Water Alliance and Department of Ecology. (DG&PWS, Sewer 7A.010 and Subdivisions and Short Plat 2-21)

Stormwater

48. This project shall comply with the City of Lacey 2016 Stormwater Design Manual (SDM) (LMC 14.27). Stormwater drainage and erosion control submittals shall be in conformance with the formatting, design and content requirements described in Chapter 3 of the 2016 Stormwater Design Manual.
49. A final Stormwater Site Plan, including a drainage report and drainage plans in conformance with current Stormwater Design Manual standards, shall be provided prior to final Public Works civil approval. Some key elements to be included within the report are: the project engineer's certification; descriptions of how each of the Core Requirements is being addressed; construction SWPPP; basin map and plan drawings; hydrologic modeling inputs and results (including the WWHM 2012 Data files produced with the model); summary data of sub-basin areas, design calculations, and facility sizing; soils report and infiltration analysis; soil management plan; maintenance agreement/covenant; and a stormwater facilities maintenance manual (SDM 2.2.1).
50. A Construction Stormwater Pollution Prevention Plan (SWPPP) shall be submitted to and approved by the City prior to beginning site work or construction of the project. A complete SWPPP consists of both a narrative report and a temporary erosion and sediment control plan drawing. Each of the 13 SWPPP Elements as identified in Chapter 5 of the City of Lacey 2016 Stormwater Design Manual shall be addressed and included in the construction SWPPP. If site conditions render any SWPPP elements unnecessary, exemptions for each element shall be clearly justified in the narrative report.
51. A Stormwater Facility Maintenance Manual per chapter 3 of the City of Lacey 2016 Stormwater Design Manual shall be submitted to and approved by the City of Lacey. The maintenance manual shall be included in the drainage report as part of the stormwater site plan. The maintenance manual shall be prepared as a stand-alone document for the post-development facility owner(s). The maintenance plan shall be submitted to and approved by the City prior to civil drawing approval.
52. From October 1 through April 30, clearing, grading, and other soil disturbing activities shall be prohibited unless shown to the satisfaction of the City of Lacey that sediment-laden runoff will be prevented from leaving the site. (SDM 5.2.3)

Transportation

53. Access shall be provided to the property as determined and approved by the City. All access points shall meet minimum access spacing, minimum corner clearance, sight distance and minimum or maximum width requirements as outlined in the

Development Guidelines & Public Works standards. (DG & PWS, Transportation 4B.025)

General Surveying Requirements

54. Utility easements are required for all mains, water and sewer located on private property. Easements shall include fire hydrants, water meters, sewer improvements and future extensions of mains to adjacent properties. Easements and stub outs shall be provided to serve adjoining properties as determined by the City. Rather than being designated as water or sewer, all easements shall be identified as “utility” easements on the civil drawings and in the easement document. Specific requirements will be determined at the of plan review. All easements shall be prepared by a licensed land surveyor and submitted prior to release of approved civil drawings (DG&PWS Chapter 3.110).
55. The City of Lacey Coordinate System is a ground scale coordinate system derived from the Washington Coordinate System, NAD 83/91. Units are expressed in feet. Data can be obtained from Lacey Public Works Department. Civil drawings shall be submitted utilizing the City of Lacey Coordinate System. (DG&PWS 3.025)
56. City of Lacey Vertical Datum has elevations referenced to the National Geodetic Vertical Datum of 1929 (NGVD29). Units are expressed in feet. A benchmark listing can be obtained from Lacey Public Works Department. Civil drawings shall be submitted utilizing the City of Lacey Vertical Datum. (DG&PWS 3.025)
57. Immediately adjacent to the public Right of Way a 10-foot joint utility easement area shall be dedicated to accommodate the installation of private and public utilities (2017 Development Guidelines and Public Works Standards Roadway details).

Other Requirements

58. All improvements shall satisfy City of Lacey Development Guideline Standards in place at the time complete application is obtained (Complete application is determined by the City of Lacey Community Development Department).
59. If any part of these comments as established by existing plans, guidelines, codes and the like as established by ordinances shall be found invalid, all other parts shall remain in effect. (DG&PWS 3.035)
60. All Public Works improvements must be designed by an engineer licensed in the State of Washington and submitted to the City of Lacey Public Works Department for review and approval. (DGPWS 3.040)
61. All structures associated with this site shall be connected to City of Lacey utilities (DG&PWS 6.010 and 7A.010).

62. Prior to submitting civil drawings for review, Land Use Approval must be obtained.
63. Prior to civil drawing approval, one paper set of drawings along with a PDF copy of the drainage report and civil drawings shall be submitted for all approved final plans. (DG&PWS Chapter 3.040,B)
64. Prior to final Public Works Construction approval, “as-built” bonded paper drawings along with the revised civil drawings in AutoCAD and PDF formats shall be submitted for all approved final plans. (DG&PWS Chapter 3.040, J)
65. Certificate of Occupancy for the building (s) will not be issued until all improvements shown on the approved civil drawings are installed by the applicant and approved by the City. (DG&PWS 4B.080)
66. A 20 percent maintenance bond or financial guarantee of the engineer’s estimate or approved bid estimate is required for a period of 24 months upon construction completion and approval of Public Works improvements. The financial guarantee may be released after 18 months if all conditions of approval have been satisfied. The financial guarantee applies to sewer, stormwater and water improvements (LMC 14.20.025).
67. Along with the civil review application and the completed, signed and stamped checklist from Chapter 3 of the Development Guidelines, please provide three sets of civil drawings, two drainage reports and one electronic copy of the civil drawings (PDF format). These drawings shall be submitted directly to the City of Lacey Public Works Department. Drawings submitted to other City departments will not satisfy this requirement. (DG&PWS 3.040, B)
68. The property owner(s) adjacent to the public Right-of-Way shall be responsible for maintaining the planter strip and median (weeding, pruning, irrigating, mowing, etcetera of the landscaping and street trees.) in the public Right of Way in a healthy and growing manner in perpetuity. If these areas are being maintained by another group or organization, then a maintenance agreement (or adequate documentation) that verifies these areas are being (and will continue to be) maintained shall be submitted to the City for review. (Development Guidelines & Public Works Standards, Transportation 4G.100D).
69. To protect the public interest on private property, utility mains located on private property shall be protected from damage. If on-site settling or other phenomenon occurs causing valve boxes, sewer manholes or other appurtenances to protrude above or settle below the driving surfaces or ground elevations, the owner will be notified and the problem shall be fixed within 30 days of notification. If the problem is not fixed within the 30 day time period, the City will fix the problem and bill the

property owner. This language shall be included on the face of any binding site plan or easement documents submitted to the City.

70. A Bill of Sale for water and sewer improvements being installed with this project is a requirement for approval. Prior to Final Public Works approval of the project, Bill of Sale documents shall be submitted to and approved by the City.