

**RESOLUTION NO. 2981**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN THE LETTER OF COMMITMENT AND AUTHORIZING STAFF TO SUBMIT THE TRANSIT ORIENTED DEVELOPMENT IMPLEMENTATION GRANT.**

**WHEREAS**, in 2021 the Washington State Legislature appropriated \$2.5 million in capital funds for a new grant program available to cities to facilitate transit-oriented development that leverages investments in high-capacity transit systems and plans for high-density residential development near transit; and

**WHEREAS**, the Bonney Lake Park and Ride is considered a major transit stop under RCW 43.21C.240(3)(e) and is part of the high-capacity transit system; and

**WHEREAS**, the City's adopted Downtown Center Plan envisions the development of high-density residential development near the Bonney Lake Park and Ride; and

**WHEREAS**, on September 14, 2021, City Council directed City staff to prepare Transit Oriented Development Implementation Grant; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Bonney Lake does hereby authorize the to sign the letter of commitment and authorizing staff to submit an application for a Transit Oriented Development Implementation Grant.

**PASSED BY THE CITY COUNCIL this 5<sup>th</sup> day of October, 2120.**

DocuSigned by:  
*Neil Johnson, Jr.*  
20583FB9C281400...  
Neil Johnson, Jr., Mayor

AUTHENTICATED:

DocuSigned by:  
*Sadie Schaneman*  
E0B5EFCF37394F8...  
Sadie A. Schaneman, Interim City Clerk

City of Bonney Lake, Washington  
**City Council Agenda Bill (AB)**

<b>Department/Staff Contact:</b> Public Services Department Jason Sullivan – Planning & Building Supervisor	<b>Meeting/Workshop Date:</b> October 5, 2021	<b>Agenda Bill Number:</b> AB21-130
<b>Agenda Item Type:</b> Resolution	<b>Ordinance/Resolution Number:</b> 2981	<b>Sponsor:</b>

**Agenda Subject:** Department of Commerce Transit Oriented Development Implementation Grant

**Full Title/Motion:** A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, authorizing the Mayor to sign the letter of commitment and authorizing staff to submit the Transit Oriented Development Implementation Grant.

**Administrative Recommendation:** Approve

**Background Summary:** Planning for Downtown began with the Strategic Commercial Districts Plan completed in 2001 and the City has continued to work towards making the vision of Downtown a reality. Most recently, the City adopted an updated Downtown Centers Plan (2019), obtain a Countywide Growth Center designation (2020) and appropriated funds to update the master plan for the Civic Campus (2020). Applying for the TOD Implementation Grant will built on the City’s past and current efforts by allowing the City to implement specific action identified in the Downtown Center Plan: update development regulations and design standards and prepare a SEPA Planned Action Ordinance. The City is eligible for this grant application due to the Sound Transit Park and Ride.

**Attachments:** Resolution 2981, Transit Oriented Development Implementation Grant Application, and Letter of Commitment

<b>BUDGET INFORMATION</b>			
Budget Amount	Current Balance	Required Expenditure	Budget Balance
<b>Budget Explanation:</b>			

<b>COMMITTEE, BOARD &amp; COMMISSION REVIEW</b>											
<b>Council Committee Review:</b>	Date: CDC September 7, 2021	<b>Approvals:</b> Chair/Councilmember Dan Swatman Councilmember Kelly McClimans Councilmember Tom Watson	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Yes</th> <th style="width: 50%;">No</th> </tr> <tr> <td style="text-align: center;"><b>X</b></td> <td></td> </tr> <tr> <td style="text-align: center;"><b>X</b></td> <td></td> </tr> <tr> <td style="text-align: center;"><b>X</b></td> <td></td> </tr> </table>	Yes	No	<b>X</b>		<b>X</b>		<b>X</b>	
Yes	No										
<b>X</b>											
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	Forward to: City Council	<b>Consent Agenda:</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								
<b>Commission/Board Review:</b>											
<b>Hearing Examiner Review:</b>											

<b>COUNCIL ACTION</b>	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): September 14, 2021	Tabled to Date:

<b>APPROVALS</b>		
<b>Director:</b> <i>Ryan Johnstone, P.E.</i>	<b>Mayor:</b> <i>Neil Johnson Jr.</i>	<b>Date Reviewed            by City Attorney:</b> (if applicable):

# Transit-Oriented Development Implementation (TODI) Grant Application Form

## Summary Page

Name of Jurisdiction(s)	City of Bonney Lake
Total Funding Request	\$150,000

### Describe the proposed action your city will take to facilitate transit-oriented development:

The City of Bonney Lake’s proposal includes three specific grant objectives to facilitate transit-oriented development in Downtown Bonney Lake. This first objective is the preparation of a Master Plan for the Downtown Civic Campus, which is 12.36 acres of City property within the center of Downtown and within ½ mile of a major transit stop as defined in RCW 43.21C.240(3)(e). The Civic Campus is envisioned to be developed with residential, commercial, and civic uses. The second objective is to update the existing design standards and zoning regulations to reduce the cost, increase predictability, and streamline development process within the 127 acre Downtown Center, a Countywide Growth Center, to increasing housing options and affordability near transit. The third objective is to prepare a SEPA Planned Action Ordinance removing the requirement to review environmental impacts on a project-by-project bases and instead review the environmental impacts at a comprehensive level upfront.

### What transit service will this proposal be focused around? (light rail and other fixed guideway rail systems, bus rapid transit, high frequency bus service, or park and ride lots)

The project will focus on Sound Transit’s Bonney Lake Park and Ride and Express Bus Route 596. The facility and ST Express Bus is part of the high-capacity transit system funded under Chapter 81.04 RCW and developed to connect riders with major urban and employment centers in King, Pierce, and Snohomish counties.

### Identify what level of environmental analysis you propose with the above action:

The City plans to prepare Threshold Determination in support of a Planned Action Ordinance as provided for in RCW 43.21C.440

## 1. Jurisdiction Information

Applying Jurisdiction	City of Bonney Lake		
Joint Applicants	<i>If two or more cities are jointly applying and collaborating on this grant, please duplicate this page and submit a page for each city. Duplicate pages for jurisdiction information will not count towards page limit. Please indicate which city is the "lead" city for purposes of the grant.</i>		
Project Manager	<i>If submitting a joint application, this designated lead person will be responsible for keeping the other participant city contacts informed about the grant.</i>		
Name (Lead Contact)	Jason Sullivan		
Title	Planning and Building Supervisor		
Department	Public Services		
Mailing Address	PO Box 7380		
City	Bonney Lake		
State	WA	Zip Code	98391
Telephone Number	(253)447-4355		
Email	<a href="mailto:sullivanj@cobl.us">sullivanj@cobl.us</a>		
Financial Contact	<i>Please provide name and contact information for the person who will be responsible for receiving and accounting for the grant funds.</i>		
Name	Patti McCann		
Title	Finance and Payroll Accountant		
Department	Finance		
Telephone Number	(253)447-4321		
E-mail	<a href="mailto:mccannp@cobl.us">mccannp@cobl.us</a>		
Unified Business Identifier (UBI) Number	277-000-893		
Statewide Vendor (SWV) Number	000788300		
Authorized Official	<i>The name and title of the office authorized to sign the grant agreement on behalf of the city.</i>		
Name	John P. Vodopich, AICP		
Title	City Administrator		

## 2. Scope of Work and Project Schedule

Provide a proposed scope of work, detailing the grant objective (project), actions, steps and deliverables. Instructions are in the Grant Application Instructions.

All grant deliverables must be submitted by June 15, 2023.

If you propose multiple grant objectives, actions, steps or deliverables, please copy and paste the appropriate rows below. There must be at least two deliverables for each grant objective (draft and final). The example scope of work from the grant instructions is included at the end of this document if a city wishes to copy portions or all of that material into this table.

*Grant Objective 1: Prepare a Master Plan for the Downtown Civic Campus consistent with conceptual land use scenario the Downtown Centers Plan that calls for the Civic Campus to be developed with a mix of residential, commercial, and civic uses.*

Steps/ Deliverables	Description	Start Date	End Date
<b>Action 1</b>	<b>Prepare Master Plan for Downtown Civic Campus.</b>	<b>January 2022</b>	
Step 1.1	Define project intent and scope.	January 2022	February 2022
Step 1.2	Develop a public participation plan.	February 2020	March 2022
<b>Deliverable 1a</b>	<b>Public Participation Plan</b>		<b>March 2022</b>
Step 1.3	Perform public engagement and outreach.	March 2022	July 2022
Step 1.4	Create a series of land use development scenarios that will form the basis of the Master Plan. The land use scenarios will reflect the alternative development concepts established in Downtown Centers Plan and will be used to evaluate a preferred alternative.	March 2022	May 2022
Step 1.5	Complete market assessment on different land use development scenarios.	May 2022	June 2022
Step 1.7	Conduct work sessions with the public, Planning Commission, and City Council.	July 2022	July 2022
<b>Deliverable 1b</b>	<b>Preferred Land Use Scenario for Downtown Civic Campus</b>		<b>July 2022</b>
Step 1.8	Prepare a draft Master Plan for Downtown Civic Campus based on the preferred land use scenario.	July 2022	August 2022
Step 1.7	Conduct work sessions with the public, Planning Commission, and City Council.	September 2022	October 2022
<b>Deliverable 1c</b>	<b>Draft Downtown Civic Campus Master Plan</b>		<b>October 2022</b>
Step 1.8	Refine master plan.	November 2022	November 2022

Step 1.9	Council Adoption.	December 2022	December 2022
<b>Deliverable 1d</b>	<b>Adopted Downtown Civic Campus Master Plan</b>		<b>December 2022</b>
<i>Grant Objective 2: Update existing Downtown development regulations and Downtown Design Standards implement a form-based code, provide affordable housing, and increase housing types and densities within the Downtown Center.</i>			
<b>Action 2</b>	<b>Update existing development regulations and Downtown Design Standards.</b>		
Step 2.1	Review existing development regulations and design guidelines.	March 2022	May 2022
Step 2.2	Conduct work sessions with the public, Planning Commission, and City Council.	July 2022	August 2022
Step 2.3	Prepare Technical Memorandum establishing proposed changes.	September 2022	October 2022
<b>Deliverable 2a</b>	<b>Downtown Regulation and Design Standards Technical Memorandum</b>		<b>October 2022</b>
Step 2.4	Develop draft ordinance and staff report.	November 2022	December 2022
Step 2.5	Conduct work session with Planning Commission and City Council regarding proposed changes.	January 2023	January 2023
Step 2.6	Finalize draft ordinance.	January 2023	January 2023
<b>Deliverable 2b</b>	<b>Downtown Regulation and Design Standards Draft Ordinance</b>		<b>January 2023</b>
Step 2.7	Prepare notices, distribute information, and conduct public hearings.	February 2023	February 2023
Step 2.8	Public hearing in front of the Planning Commission.	March 2023	April 2023
Step 2.9	Make changes to amendment package per Planning Commission recommendations.	April 2023	May 2023
Step 2.10	Present to City Council for adoption.	May 2023	June 2023
<b>Deliverable 2c</b>	<b>Adopted Downtown Regulation and Design Standards Ordinance</b>		<b>June 15 2023</b>
<i>Grant Objective 3: Prepare a Planned Action Threshold Determination for the Downtown Center to encourage and expedite development around the existing transit facility within a Countywide Growth Center.</i>			
<b>Action 3</b>	<b>Complete SEPA Planned Action Threshold Determination.</b>		
Step 3.1	Prepare draft SEPA Checklist and identify list of required technical reports.	July 2022	September 2022
Step 3.2	Complete required technical reports.	September 2022	January 2023

<b>Deliverable 3a</b>	<b>Draft SEPA Checklist and Technical Reports</b>		<b>January 2023</b>
Step 3.3	Finalize SEPA Checklist and issue Threshold Determination.	January 2023	February 2023
Step 3.4	Solicit and respond to comments.	February 2023	February 2023
<b>Deliverable 3b</b>	<b>Final SEPA Checklist, Threshold Determination, and Comment Matrix</b>		<b>February 2023</b>
Step 3.5	Prepare Planned Action Ordinance.	March 2023	March 2023
Step 3.6	Prepare notices, distribute information, and conduct Planning Commission public hearings.	March 2023	April 2023
Step 3.7	Make changes to amendment package per Planning Commission recommendations.	April 2023	May 2023
Step 3.8	Present to City Council for adoption.	May 2023	June 2023
<b>Deliverable 3c</b>	<b>SEPA Planned Action Ordinance</b>		<b>June 15, 2023</b>

### 3. Proposed Budget / Financial Information

Propose a project budget to reflect your expected level of effort for each of the deliverables provided above. This is a performance-based contract, therefore cities will be paid upon satisfactory completion of deliverables rather than hours spent working on the project. The final deliverable of each grant objective must be at least 20% of the total grant amount for that grant objective.

<b>Grant Objective 1: Prepare Master Plan for Downtown Civic Campus</b>	<b>Commerce Funds</b>
Deliverable 1a: Public Participation Plan	\$ 0
Deliverable 1b: Preferred Land Use Scenario	\$0
Deliverable 1c: Draft Downtown Civic Campus Master Plan	\$0
Deliverable 1d: Adopted Downtown Civic Campus Master Plan	\$20,000
<b>Grant Objective 2: Updated Development Regulations and Design Standards</b>	<b>Commerce Funds</b>
Deliverable 2a: Technical Memorandum	\$15,000
Deliverable 2b: Draft Regulations and Standards	\$20,000
Deliverable 2c: Adopted Regulations and Standards	\$15,000
<b>Grant Objective 3: SEPA Planned Action</b>	<b>Commerce Funds</b>
Deliverable 3a: Draft SEPA Checklist and Technical Studies	\$50,000
Deliverable 3b: Final SEPA Checklist and SEPA Determination	\$15,000
Deliverable 3c: SEPA Planned Action Ordinance	\$15,000
<b>Total:</b>	<b>\$150,000</b>

**Budget Narrative:** For each grant objective, please support the funding request with estimates of staff hours (may be per action, step, or deliverable), staff hourly rates and other expenses.

	Planning & Building Supervisor	Associate Planner	Assistant Planner	Consultant
<i>Rates</i>	\$76.00	\$49.00	\$35.00	
<b>Action 1:</b>				
Hours	50	15	15	
Cost	\$3,800	\$735	\$525	\$120,000
<b>Action 2:</b>				
Hours	50	20	40	
Cost	\$3,800	\$980	\$1,400	\$50,000
<b>Action 3:</b>				
Hours	50	25	25	
Cost	\$3,800	\$1,225	\$875	\$80,000
<b>Subtotals</b>	\$11,400	\$2,940	\$2,800	\$250,000
<b>Total:</b>	<b>\$267,140</b>			

#### 4. Grant Application Questions and Scoring

Please answer each of the below questions. If the city does not intend to pursue that particular policy objective, please write “N/A” under that section. Please refer to the Grant Application Instructions for more detail regarding scoring and ranking, as well as additional guidance on how to answer the below questions.

##### 4a. The total number of housing units authorized for new development [above what is currently allowed by the city]; (0-20 points)

As a result of the proposed activities, provide an estimate of the number of additional units that may be allowed over the 20-year planning period as an absolute number and as a percentage of the number of units currently planned for within the city. Provide detail on your assumptions over the 20-year planning period.

If the city does not have a clear vision of the future new development potential, describe the range of alternatives the city will examine and the estimated range in the number of additional units that may be allowed over the 20-year planning period. Provide details on your assumptions.

Downtown has been a priority since the adoption of the Strategic Commercial Districts Plan in 2001. In 2004 and 2006 the City updated land use policies, design standards, and zoning regulations and prepared a subarea plan for Downtown. In 2017, the City completed the Bonney Lake Centers Plan, building upon these earlier planning efforts, which was partly funded by a grant from the Departments of Ecology and Commerce. The Downtown Center Plan envisions the Downtown as "... the civic, cultural, and social heart of the community. People are attracted to its vibrant atmosphere and blend of retail, service, and civic amenities. Well-designed streets, buildings, and community spaces make Downtown a source of identity and pride for Bonney Lake."



The City estimates that as a result of this proposal between 350 to 500 new housing units could be developed. The housing assumptions were calculated utilizing the Pierce County Buildable Lands Methodology and adjusting the amount of land that was dedicated to housing as compared to commercial or other uses. It is difficult to provide an exact range as the largest potential for residential development will be on the 12.36 acres Downtown Civic Campus, which is owned by the City. The adopted Centers Plan calls for the Downtown Civic Campus to be developed with a mixture of residential, commercial, and civic use, but the exact mixture is unknown at this time as shown in the image below from the Downtown Centers Plan.



Figure 1: City Owned Property



Figure 2: Civic Campus Conceptual Land Use Plan

This project will involve evaluating the following measures to increasing housing in the Downtown Center: determining the highest and best use for the City owned Civic Campus, moving to a hybrid-form based code, adding a minimum density to commercial and mixed-use Downtown zones, identifying measures to encourage multi-story development with retail on the ground-floor and housing above, identifying parking maximums. The City currently does not have any maximum density in the City’s Downtown zoning districts.

This grant opportunity comes at a pivotal moment for development within the City, in spring of 2020 Downtown was classified as an official Countywide Growth Center, a long standing goal of the city. The City has committed \$100,000 in the 2021-2022 budget to update the Downtown Civic Campus Master Plan. Grant dollars received in response to this application would be pooled to enhance the resources available for the project.

#### 4b. The proximity and quality of transit access in the area; (0-20 points)

Describe the transit service around which this project will be based. Is the transit service in place? If not, when is it expected? What headways exist or are projected? If you know capacity or ridership at this station (or projected ridership), please include that information. Also describe the study area around the transit (e.g., 1/2 mile around the station). Within this study area, describe the existing and planned pedestrian and bicycle infrastructure that will allow future housing to access the transit.

The Downtown Bonney Lake is home to the Bonney Lake Park & Ride, which consist of a parking lot and bus loading area designed to support three buses at a time. This facility is located at the intersection of State Route 410 and 184th Ave E on the southern side of the Downtown Center and includes 356 parking spaces and bicycle lockers and racks. The Sound Transit, a regional transit authority, owns the transit facility and operates ST Express Route 596 as part of the regional transit system as shown in the image below. The ST Express Bus operates primarily on State Route 410 primary providing connections to the Sumner Sounder Station and was initially funded as part of the 1996 Sound Move ballot measure. Access to the bus loading area is from a light control entrance separated from the parking areas entrance and exit. At peak service hours the route runs every twenty minutes. The transit facility meets the definition of a major transit stop under RCW 43.21C.240(3)(e) and RCW 43.21C.440(5).



Figure 3: Bonney Lake P&R Bus Bay



Figure 4: ST Express Route 596

Additionally, the transit facility also offers access to Beyond the Borders, which is a free transit to seniors 65+, youth 12-17, and those with disabilities or low incomes. Beyond the Borders picks up from the Sumner Sounder shuttle stop and offers access to recreation, shopping, and social services. Customers making reservations can request trips to their doctor/dentist, the post office, or the library.

The area within a ½ mile of the transit facility is developed with a mixture of residential, commercial, and civic use. approximately 1,100 housing units are located within this ½ mile radius and are connected to the transit facility via sidewalks. There are bike lines within this area to along State Route 410 and Veteran’s Memorial Drive

Finally, the City has recently invested heavily in multimodal transportation connections to the lot, building the Elhi Hill Trail connector, funded by a Sound Transit 3 Access Grant providing a vital connection between the transit facility and the Fennel Creek Trail. The Fennel Creek trail is part of the PSRC Regional Multimodal Trail Network and currently has multiple segments at various stages of development, further magnifying the impact of grant dollars as high density residential would be adjacent to a significant pedestrian trail system. Funding for the Fennel Creek Trail has been provided by the City, PSRC, WSDOT and a set-aside from the State Legislature.

**4c. Plans that authorize up to six stories of building height; (0-5 points)**

What heights are permitted with the study area or what height ranges are expected to be permitted within the study area? Please also note the densities allowed or expected to be permitted.

The study area includes three zoning classifications; the R-3 zoning classification which has a height maximum of four stories, the Downtown Core and Downtown Mixed-Use zoning classifications both which have a height maximum of seven stories, and the C-2 zoning classification which has a height maximum of 50 feet. The current minimum density in these zones ranges from zero (0) units to ten (10) units per net acre. There are no maximum density caps in these zoning districts. The City will be evaluating establishing minimum density requirements in those zoning classification that do not current have a minimum density and increasing the height limit for the R-3 and C-2 zones when located in the Downtown Center to be consistent with the Downtown Core and Downtown Mixed-Use zoning classifications.

**4d. Plans that authorize ground floor retail with housing above; (0-5 points)**

Will mixed-use development with ground floor retail below housing be permitted in the study area? If so, is the market projected to accommodate this development typology in the 20-year planning period? Note any plans to study or authorize an appropriate amount of ground floor retail.

Mixed use development is currently allowed within all the zoning classifications within the Downtown Center. As part of the project, the City plans to complete a market study to identify what measures need to be in place to facilitate the construction of mixed use developed in the Downtown Center.

**4e. Plans in areas that minimize or eliminate on-site parking requirements; (0-15 points)**

Does the proposed activity reduce or eliminate on-site parking or will the proposed activity evaluate these requirements? If so, describe how the parking is minimized or eliminated or how the Applicant proposes to include this work in their project. Explain where this reduction in parking is or will be examined with respect to the transit area and nearby housing (e.g., which zones or development areas) and the feasibility of achieving or adopting the parking reductions.

The Downtown Center Plan focuses on development with buildings oriented to the street and human scaled development. The current City regulations were developed to move parking within or underneath structures or behind buildings. The Centers Plans calls on the City to prioritize on-street parking rather than high on-site parking requirements and provided more on-street parking, this was inspired by community feedback during visual preference surveys and meetings. As a portion of this project, the City will evaluate adding parking maximums to development regulations, basing parking requirements on the number of bedrooms versus units for multifamily, and the designing a master parking plan within the Civic Campus. The current proposed traffic circulation calls for maximizing development areas on lots and creating pedestrian friendly streets with on-street parking and walkable scale.

**4f. Existence or establishment of incentive zoning, mandatory affordability, or other tools to promote low-income housing in the area; (0-15 points)**

Does the city or study area include incentive zoning, mandatory affordability or other tools to promote low income housing in the area? If so, explain these tools and their existing or projected application in the study area. If these tools do not exist in the city or study area, what tools to promote low income housing in the area will be examined? What tools are expected to be adopted? What level of affordability do these low-income housing supports encourage or require? What level of application might these tools see over the 20-year planning period?

The City does not have any specific tools adopted but as part of this project the City plans to explore inclusionary zoning incentives within the Downtown Center and establishing a mandatory affordability requirement for housing located within the Downtown Civic Campus. The City also plans to explore the use of the Affordable Housing Sales Tax that the City is currently collecting to provide funding for affordable housing units within Downtown Civic Campus.

**4g. Plans that include dedicated policies to support public or nonprofit funded low-income or workforce housing; (0-15 points) and**

Does any public or nonprofit funded low-income or workforce housing exist within the city or study area? If so, please discuss any existing or planned policies that will be explored to prevent displacement in the study area. Is public or nonprofit funded low-income or workforce housing projected within the study area in the 20-year planning period? If so, describe. Does the city or study area include policies to support public- or nonprofit-funded low-income or workforce housing? If so, list these policies, or if they will be expanded, explain how. If these policies do not currently exist in the city or study area, briefly discuss possible policies.

The View by Vintage recently completed construction of 408 total units within 17 buildings. Construction was funded in part by LIHTC and are income restricted to those residents making 60 percent or less of the area median income. The Cedar Ridge Retirement Community has 25 income restricted units that were also funded through LIHTC. Neither of these developments are in the Downtown Center and will not be a risk of displacement because of this project.

As part of this project, the City will considering ways to add and facilitate income restricted housing and workforce housing in Downtown to include evaluating the use of the Affordable Housing Sales Tax that the City is currently collecting to support the construction of affordable housing.

The City of Bonney Lake's Comprehensive Plan overarching housing goal is to, "[P]rovide a variety of housing options that will meet the needs of all Bonney Lake's residents and are affordable to all economic segments of Bonney Lake." (Goal CD-10, Community Development Element). The City has adopted the following policies in support of this goal and support public- or nonprofit-funded low-income or workforce housing:

- Policy CD-10.1: Encourage the development of a diverse and high-quality housing stock that provides a range of housing types (including family and larger-sized units) to accommodate the diverse needs of Bonney Lake's residents through changes in age, family size, and various life changes.
- Policy CD-10.4: Explore methods and partnerships to reduce the costs associated with developing housing.
- Policy CD-10.5: Ensure that there is a sufficient supply of housing affordable to all income levels by maintaining a supply of housing that is currently affordable to median-income, low income and very low-income households, and work to increase the supply of housing affordable to households within Bonney Lake that make eighty percent (80%) of the Pierce County Median Income by 702 housing units.
- Policy CD-10.6 Actively participate in regional responses to housing needs and issues.

In addition to these policy's the City has adopted specific implementation actions to expand access to income restricted housing and work force housing in the Implementation Element of the City's comprehensive plan. Specifically, CD-Action-6 and CD-Action 7 include:

- Evaluate the cumulative effect of impact fees, off site mitigation, permit review fees in an effort to reduce the cost of housing without shifting the burden to current taxpayers and rate payers for the development of infrastructure improvements needed to serve new housing and without compromising environmental protection and public safety.
- Review the appropriateness of techniques for providing housing affordable to all income groups, such as regional, state and federal housing programs, housing trust fund, inclusionary zoning, development incentives, fee waivers, fast-track processing, or assistance to housing agencies.

Finally, the City recently completed the Bonney Lake – Sumner Housing Action Plan, which included a number of strategies and actions to increase the supply of income restricted and work force housing.

#### **4h. Plans designed to maximize and increase the variety of allowable housing types and expected sale or rental rates.<sup>1</sup> (0-10 points)**

Describe what variety of housing types are allowed within the study area and the plans to expand those housing type options. What new housing types is the proposal evaluating? How much of an increase in housing would those changes allow (number and type of units)? What other changes will be studied and proposed to increase the variety of housing types and reduce the expected sale or rental prices (see footnote)?

Housing types that are already specifically allowed in the Downtown Center include apartments, duplexes, single family homes, and townhouse based on the existing zoning designation within the Downtown Center. While four-plexes and triplexes are allowed as apartments under the City's existing code, updates to the development regulations will include identifying these building types specifically so that is clearer that these housing types are allowed. The City has already removed mandatory setbacks and density limits in most of the Downtown zoning classifications. The goal of the project is to reduce the permitting cost and timelines in an effort to reduce the expected sale or rental prices.

#### **e4i. Readiness to Proceed: (0-20 points)**

How ready is your jurisdiction to complete this project in a timely manner? Do you have a subarea or area of analysis already identified? Please describe your plan to initiate and complete the project by June 15, 2023. Refer to the scope of work if needed. Provide key comprehensive plan policies, housing strategies, plans, or other directives that support the development of the selected actions.

Planning for Downtown began with the Strategic Commercial Districts Plan (Strategic Plan) completed in 2001. Planning efforts in 2004 and 2006 resulted in the development of land use policies and zoning to guide the development of Downtown. Over the last nineteen (19) years, the City has taken a number of steps to turn the vision established in 2001 into reality which included: adopting Design Guidelines to guide the development in Downtown; assembling approximately ninety-five percent (95%) of the Civic Campus; building the Justice & Municipal Center; constructing Main Street; and making improvements to 186th Avenue East and 88th Street East, Veterans Memorial Drive East, and State Route 410 East.

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<sup>1</sup> This language is from the capital budget (Sec. 1090 (2)(f)). Commerce interprets it to mean allowing a greater variety of attached housing types, which we expect to be at lower sale or rental rates than traditional single family housing. A resource to encourage lower sale or rental rates with attached housing typologies is available [here](https://www.smartgrowth.org/webinar/dan-parolek) (SmartGrowth.org webinar by Dan Parolek which emphasizes the importance of reducing the size of units for affordability and moving from a limit on the number of units per lot to a limit on the scale of buildings per lot).

In addition to the City's actions, a number of projects have been constructed that furthered the City's vision for Downtown, which includes the construction of the Sound Transit Park and Ride, Renwood Apartments, Franciscan Medical Center, Greenwood Heights Apartments, and the Locust Avenue Apartments.

In 2017, the City Council officially adopted an updated version of the plan for Downtown, as part of the newly developed, *Bonney Lake Centers Plan*. The updated Downtown plan was not meant to replace or change the original vision for Downtown but was developed to help the City achieve this vision by further implementing the recommendations of the Strategic Plan and the Bonney Lake Downtown Economic and Market Analysis Report. The updated Downtown Center Plan included the following implementation actions:

- Action D-1.1: Review land use and zoning in the Downtown
- Action D-1.2: Develop incentives for mixed use development in Downtown
- Action D-1.3: Develop a master plan to support a Civic Campus in the Downtown
- Action D-1.4: Create a State Environmental Policy Act (SEPA) Planned Action Ordinance for Downtown
- Action D-2.1: Review and update the Downtown Design Guidelines

The proposed project will implement all Downtown Center Implementation Actions provided above, in addition to the policy and implementation actions identified in response to item 4.G above.

In spring of 2020, Downtown was classified as an official Countywide Growth Center, which has been a longstanding goal of the City. Additionally, as part of the 2021 – 2022 budget, funds were appropriated to update the Downtown Civic Campus Master Plan consistent with the updated Downtown Center Plan.

Work on the project is scheduled to commence on December 1, 2021 and will be completed by June 15, 2023 as shown in the scope of work. As the City has already completed the adoption of a subarea plan, which included significant public outreach; one of the first major hurdles of defining the study area and an overall vision for the area has already been completed. As shown on the project schedule preparing a master plan for City property can be accomplished while work on the update to the development regulations and design standards is being completed. This approach will allow the City nearly a year to complete the required SEPA work.

Key staff on the project will include:

**Jason Sullivan, Planning and Building Supervisor**

Jason will serve as the project manager. Jason graduated from the University of Washington, Tacoma with a B.A in Urban Studies, a Minor in Environmental Science, and a Certificate in GIS and Spatial Modeling. Working in the planning field since 2005, he is currently the City of Bonney Lake's Planning and Building Supervisor. Jason is responsible for managing the City's long range and current planning, building, and code enforcement activities for the City of Bonney Lake. Jason has served as the project manager for several grants from both Ecology and the Department of Commerce. These grants successfully fulfilled all the objectives identified in the grant agreements.

Consultants will be primarily be used to complete the scope of work, with staff provide support as needed.

#### 4j. Local Commitment to the Project (0-10 points)

Include a letter from the mayor authorizing the city to apply for a grant and indicating a willingness to pursue adoption the activities selected. Also describe the impact that the lack of Commerce grant fund would have on the project. Indicate whether the proposed project is an expansion of an existing project that will proceed even without the Commerce grant funds. Also indicate the level and type of support that the appropriate legislative body will provide the project.

The funding from Commerce will allow the City to proceed with the Grant Objectives 2 and 3 identified in the scope of work. The grant would allow the City to hire the consultants necessary to complete the effort this additional objectives. The City does not have the technical resources to prepare design guidelines or complete the technical studies required for a SEPA Planned Action Ordinance. The grant will allow the City to leverage existing budgeted dollars to address housing affordability near a major transit stop on a comprehensive scale . The project will build on previous work funded by the City, Department of Commerce, and the Department of Ecology. Additionally, the project will demonstrate how smaller communities at the edge of the urban growth area can develop in housing and transit at a smaller scale while still having a big impact in the region.

As documented in item 4a, the City has made a commitment to address housing affordability, through the adoption of specific policies and implementation actions to address housing affordability and diversity. This include policy CD-10.5 that specifically documents the number of affordable housing units needed to ensure compliance with Pierce County’s Countywide Planning Policy (CPP) AH-3.3 that a minimum of twenty-five percent of the growth allocated to City is affordable housing.

The value of the staff hours is approximately \$17,140 and will be provided as in-kind support for the completion of the project. The City has also allocated \$100,000 in the 2021-2022 Budget to cover nearly all of the consultant cost associated development of the Downtown Civic Campus Master Plan.

#### 4k. Explain SEPA Components (0-15 points)

According to the bill language, “grant awards may only fund efforts that address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants.” Explain what environmental analysis the city intends to perform as part of the proposed activities.

The City plans to prepare Threshold Determination in support of a Planned Action Ordinance as provided for in RCW 43.21C.440. As part of this SEPA process, the City is expecting to prepare technical studies related to Traffic and Cultural Resources at a minimum. There are no wetlands, streams, or habitat conversation areas within Downtown that need to be evaluated. The City has already conducted an in-depth stormwater analysis, which is entitled *Bonney Lake Watershed Protection Plan* (WPP), that was funded under a Departments of Commerce and Ecology NEP Estuary Grant. The WPP was prepared in conjunction with the preparation of the *Bonney Lake Centers Plan* , which include the Downtown Center Plan and consider the full buildout of the Downtown Center. The WPP was designed to implement the Departments of Commerce and Ecology’s *Building Cities in the Rain*. The WPP is currently being reviewed by the Department of Ecology for certification as a Basin Plan. Completing the SEPA Planned Action, will build on and supplement this previous environmental work and allow the City to full identify environmental impacts and mitigation measure associated with future development in Downtown. This SEPA Planned Action will remove the requirement that future applicants complete similar environment analysis when the project is consistent with the plan for Downtown.



P.O. Box 7380 • Bonney Lake, WA 98391  
(253) 862-8602

October 05, 2021

Growth Management Services, Washington State Department of Commerce  
Dave Anderson, AICP  
P.O. Box 42525  
Olympia, WA 98504-2525

Re: Transit-Oriented Development Implementation Grant Application – Letter of Authorization

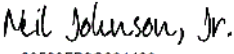
I, Neil Johnson Jr., Mayor of the City of Bonney Lake, hereby authorize the City to propose the attached scope of work and budget request for the Transit-Oriented Development Implementation Grant to facilitate transit-oriented development within the Downtown Subarea, leveraging the investment in high-capacity transit and incentivize high-density residential development in the area.

The City of Bonney Lake’s objectives in applying for funds is to complete a master plan for the Downtown Civic Campus envisioned to be developed with residential, commercial, and civic uses; prepare a SEPA Planned Action Ordinance to consider environmental impacts on a comprehensive level instead on a project-by-project basis; and update the existing design guidelines and zoning regulations to reduce cost and streamline the development review process. These objectives are meant to build on past planning efforts, facilitate residential development near an existing Sound Transit facility, and capitalize on approximately seven (7) million dollars in investments in multi-modal transportation systems in the area. The overall objective of the grant funding is to facilitate and support residential development near a major transit stop.

These grant objectives are in line with the City of Bonney Lake’s Comprehensive Plan goal to, “[I]ncrease mobility and transportation options by encouraging the expansion of public transit, vanpools, and paratransit services to provide convenient and affordable transportation alternatives for all residents and employees.” In addition, the City of Bonney Lake has committed to, “[P]rovide the capacity required to serve the development envisioned in the Community Development and Economic Development Elements of the Comprehensive Plan by improving connections to the regional transportation system, increasing interconnectivity of the existing street grid, and providing multimodal systems” and “... actively participate[ing] in regional responses to housing needs and issues.” (Goal CM-7 and Goal CD-10).

We agree to adopt the ordinances that result from the grant, by June 15, 2023.

Sincerely,

DocuSigned by:  
  
20583FB9C281400...

Mayor  
City of Bonney Lake