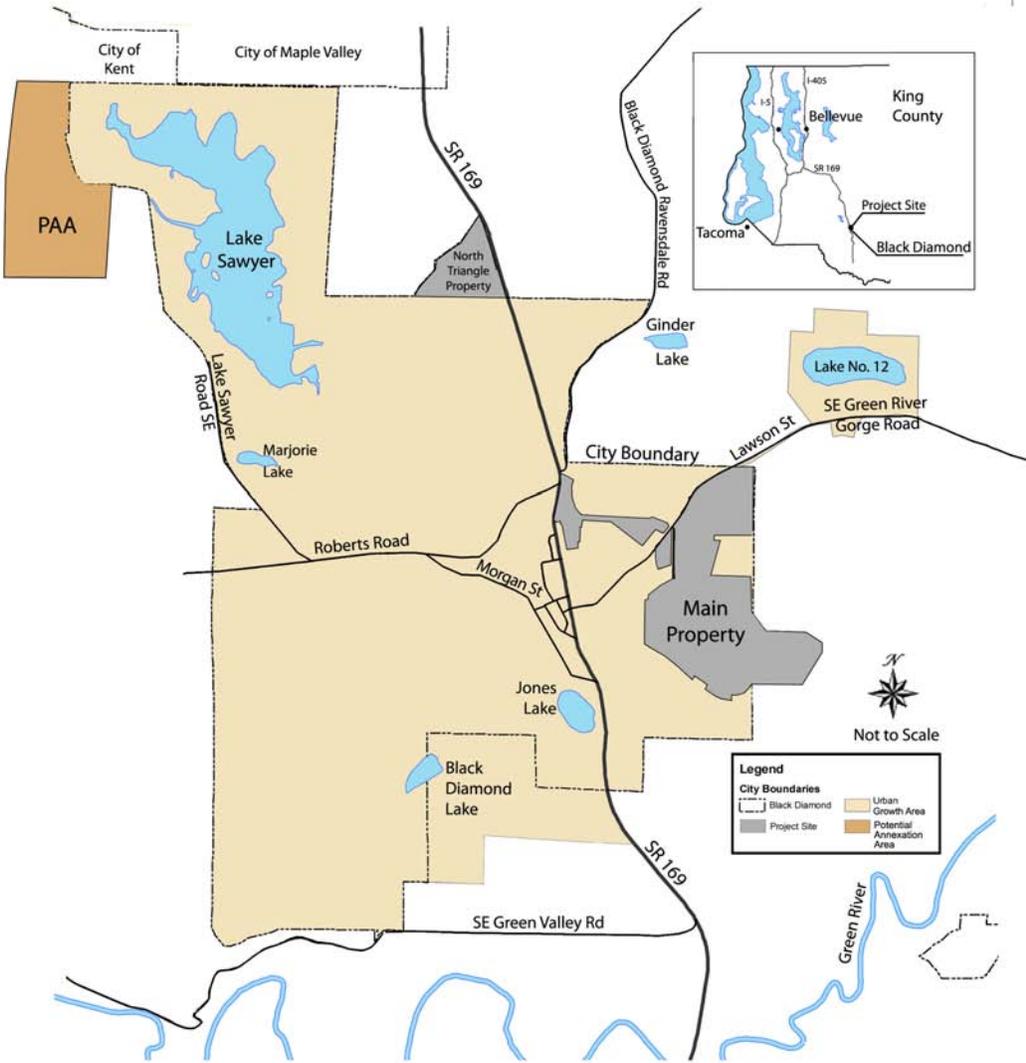


Chapter One

EXECUTIVE SUMMARY

Lawson Hills
Master Planned Development



Vicinity Map Figure 1-1

PROPOSAL

The 371 acre Lawson Hills site (consisting of the Main Property and the North Triangle Property) will be developed as a Master Planned Development (MPD) with a mix of uses, including: residential, retail/commercial, office, educational, recreational uses, and open space. A maximum of 1,250 residential units (approximately 930 single family detached and approximately 320 multifamily attached dwelling units); 390,000 square feet of destination, office and neighborhood retail uses; a 10-acre elementary school site; approximately 138 acres of open space; and other recreational uses will be provided in the MPD. The commercial/office/retail is anticipated to have the following approximate distribution: 190,000 square feet destination and neighborhood retail, 200,000 square feet of office, plus additional public and institutional uses. The average density proposed for the residential portion (Main Property) is approximately 4 dwellings per gross acre. Table 1.1 summarizes the proposed uses and approximate areas within the MPD property by land use categories.

In addition to the Master Planned Development approval, the following other permits or approvals are requested within or concurrent with this application:

- Annexation of East Annexation Area
- Issuance of Final EIS
- Planned Action Ordinance adoption
- Development Agreement approval (between the City of Black Diamond and the applicant)

PLANNING AND DESIGN CONCEPT

The Lawson Hills Master Planned Development will provide a vibrant mixed-use community with a mix of housing, employment, open space, recreational opportunities in the City of Black Diamond. The MPD will create a new neighborhood in the City that is meant to support and enhance the existing community. The MPD will achieve an integrated community that provides a sense of neighborhood through coordinated building and landscape design. The community will include a variety of housing types, sizes and densities geared to a range of income levels. Commercial/office/retail uses will be provided that will contribute positively to the City's ability to achieve a net fiscal benefit for the community and adds jobs. Development will be clustered to avoid environmentally sensitive areas (i.e., wetlands, streams and steep slope areas and their buffers) and to promote efficient delivery of services. Passive and active open space (including parks and trail corridors) will be woven into the development in a coordinated, connected manner to protect environmentally sensitive areas, and provide visual separation, recreational opportunities and an attractive setting for the community.

DEVELOPMENT AGREEMENT

The master drawings and associated descriptions contained within this MPD application illustrate the overall distribution of development parcels, land uses, major roads, open space areas and overall conceptual utility plans. The MPD approval will be accompanied by a Development Agreement recorded on title for Lawson Hills, and detailing the approval requirements and standards. Future subdivisions and development that is proposed within individual development parcels will be guided by the approved MPD and the standards contained in the development agreement.

LAND USE

A mix of uses within six land use designations is proposed within the MPD. Development within the designations will be governed by the provisions of the development agreement. The proposed designations are Low Density Residential, Medium Density Residential, High Density Residential, Commercial/Office/Retail, School and Open Space. The largest proportionate share of land use proposed is residential land use; approximately 44% of the site is proposed to be designated for residential use.

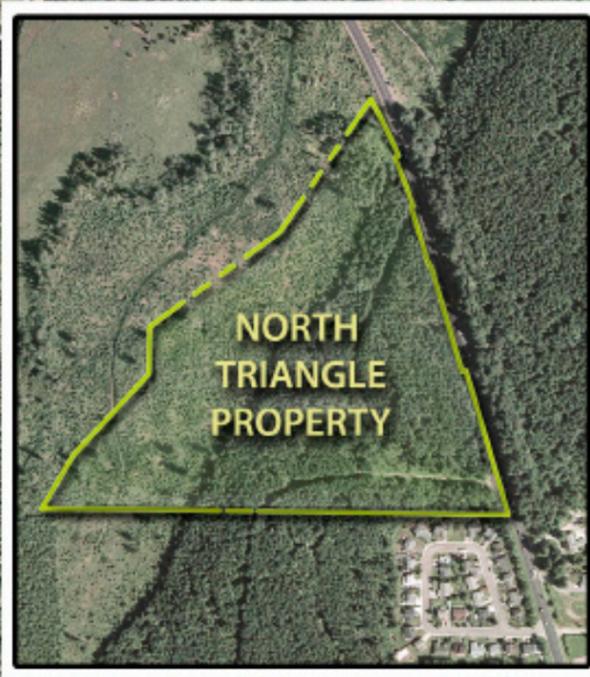
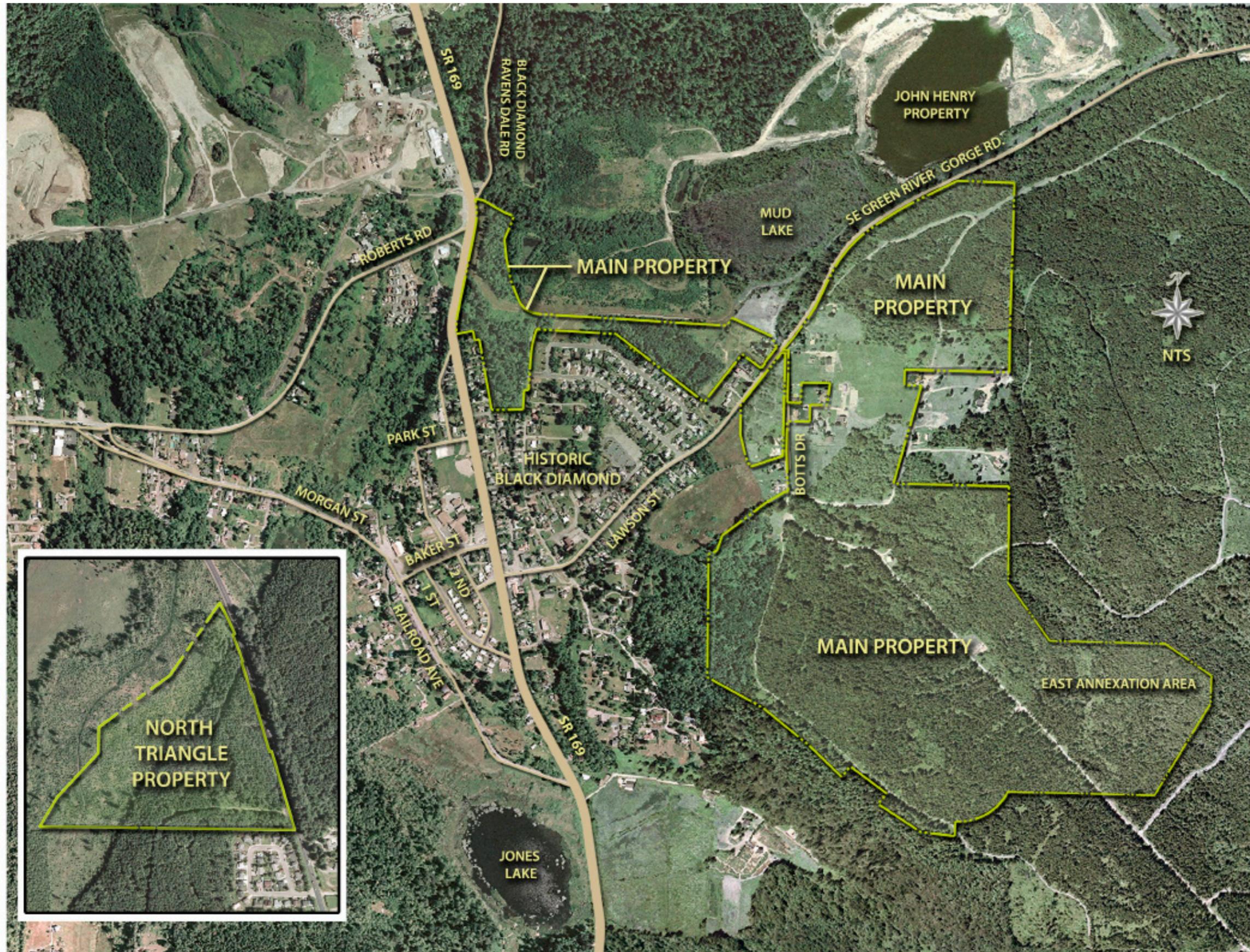
**Table 1.1
Proposed MPD Land Use Summary**

Land Use Type	Area (Estimated Acres)	% of Total Property
Residential		
MPD - Low Density	79	21%
MPD - Medium Density	63	17%
MPD - High Density	23	6%
Commercial/Office/Retail	35	10%
School Site	10	3%
Open Space ¹	138	37%
Streets (ROW)	23	6%
Total	371	100%

¹ Includes sensitive areas and their buffers, neighborhood and community parks, stormwater ponds and forest areas; does not include pocket parks additional parks and recreational facilities provided by parcel developers, trailheads, trails, school playfields, plazas or other open space within commercial areas.

RESIDENTIAL

The Lawson Hills MPD will feature a range of housing types, sizes and densities geared to a range of income levels that will respond to dynamic market factors over time. Residential development will include: low-density (at 1 to 8 dwelling units per acre), medium-density (at 7 to 12 dwelling units per acre), high-density (at 13 to 30 dwelling units per acre) housing. Single family units will be located on a variety of lot sizes, and will include traditional single family homes, as well as duplexes and cottage units. Multifamily units will include townhouses, condominiums and potentially apartments.



COMMERCIAL/OFFICE/RETAIL

Commercial/office/retail uses will be provided in the MPD on the North Triangle Property. These uses will contribute positively to the City's ability to achieve a net fiscal benefit for the community, as required by the City's MPD standards (BDMC 18.98.120). Master Planned development on the North Triangle Property will feature approximately 200,000 square feet of office and other general commercial uses and 190,000 square feet of retail uses on approximately 35 acres of that property.

As the North Triangle Property is within the City of Black Diamond's proposed Gateway Overlay District, those guidelines will influence the frontage along SR 169. Signage, landscaping and building setbacks will be influenced by the ordinance.

SCHOOL SITE

Approximately 10 acres in the northern part of the Main Property will be provided for a new elementary school site to serve the future student population of the MPD and existing and future students in the surrounding neighborhood. The applicant will coordinate with Enumclaw School District regarding specific School District needs, future potential acquisition and development of the site, provision of school bus transportation to/from the site and other school-related issues.

PARKS, OPEN SPACE, AND TRAILS

The Lawson Hills MPD will include a coordinated network of parks, open space and trail corridors. Open space will provide recreational opportunities and protection of environmentally sensitive areas and their buffers. It will also provide relief from the built environment by providing physical and visual buffers. The open space will provide connectivity to existing and planned open space, trail corridors and wildlife corridors on and adjacent to the site.

A total of approximately 138 acres of open space will be provided in the Lawson Hills MPD. Approximately 123 acres of open space will be located throughout the Main Property, including several neighborhood parks planned at the master developer level, environmentally sensitive areas and their buffers, forested areas, stormwater ponds/facilities, and trail corridors. Additional open space would be provided in school playfields, pocket park areas, trailheads, etc. throughout the property as land areas develop. This detail is further described in the Parks, Open Space and Trails Chapter.

Approximately 15 acres of open space will be located on the North Triangle property, including preservation of a view protection buffer along SR 169, environmentally sensitive areas and their buffers, and other forested areas and trail corridors as required in the BDUGGA.

ACCESS AND CIRCULATION SYSTEM

An internal road system will be constructed in phases to serve the Main Property. Primary access to this property will be provided via Lawson Parkway from SR 169 and Lawson

Street/SE Green River Gorge Road. The intersection of the internal road system and SR 169 will be improved with a traffic signal or other control and additional lanes.

An internal road system will also be constructed to serve the North Triangle Property. The main road will connect to SR 169 and will generally be located in the vicinity of the City's planned North Connector Road (as shown in the City's June 2009 Comprehensive Plan).

SEWER AND WATER

SEWER

Sewer service on the Main Property will be provided via new sewer mains located within onsite roads and utility tracts. The onsite sewer mains will gravity flow to the west through the property to a new offsite sewer main extension or existing sewer lines that will connect to the Black Diamond Pump Station (Metro Pump Station G). There are several potential alignments for the off-site sewer extension or upgrades to existing lines. Sewer connections to existing onsite residences located near Botts Drive will be abandoned. The onsite septic systems will be removed as well unless completed earlier through separate action. The existing sewer main located in Botts Drive will be upgraded or replaced and flows will be redirected to the offsite sewer mains. Sewer service to the offsite residences located along Botts Drive and to the east of the Main Property will be maintained with the proposed MPD. The existing sewer mains that currently cross the site from the residences to the east will be relocated or rerouted to maintain sewer service, as necessary.

Sewer service to the North Triangle Property could be provided via onsite sewer mains that will gravity flow to a lift station and force main located on the property or on Parcel B of The Villages MPD. This onsite system could connect to a new offsite sewer main (likely a force main) that will extend to the existing sewer main located in SR 169 to the east or other alternate route to connect to the Black Diamond Pump Station. Upgrades to the existing sewer system between the connection point at SR 169 and the Black Diamond Pump Station may be required to provide the capacity needed to serve proposed development on the North Triangle Property. All onsite sewer facilities, proposed extensions, and any other necessary downstream upgrades will meet City standards.

WATER

New water mains will be constructed within the roads, utility tracts and easements on the Main Property that will connect to the existing City of Black Diamond water system at several locations. The Main Property will be served by the two existing Black Diamond reservoirs; the 850 zone reservoir will serve the lower portion of the Main Property and the 965 zone reservoir will serve the middle portion of the Main Property. The 965 zone reservoir will be evaluated and upgraded as necessary to meet demand from the MPD. It is expected that a pump station will be constructed near the 965 zone reservoir to pump water up to a new reservoir to be located on the eastern edge of the property. Alternatively, the existing pump station at the 850 zone may be utilized to pump to this proposed 1175 zone reservoir located in a higher elevation pressure zone, and the 965 zone reservoir

could be abandoned. This new reservoir will serve the remainder of the Main Property that cannot be served by existing pressure zones. This will include upper portions of the property which will be served via main lines that will be gravity-fed from the new reservoir.

Water is proposed to be extended to the North Triangle Property via a looped 12-inch main. Alternatively, a single 16-inch main could be extended to the property from the existing main located in SR 169 to the south of the property. This water main extension may be located in SR 169, or in an alternate alignment approved by the City. Fire flow will be evaluated for both the North Triangle Property and the Main Property, and system improvements provided, as necessary. All improvements will meet current standards (as they are ultimately adopted) in the City's 2008 Comprehensive Water System Plan.

STORMWATER CONTROL

The stormwater control system for the Lawson Hills MPD will be designed and constructed in accordance with the 2005 Ecology Manual that is expected to be adopted by the City of Black Diamond. Based on this manual, post-development stormwater discharge rates will match pre-development rates ranging from 50 percent of the 2 year peak flow up to the full 50-year peak flow. Hydrologic modeling was conducted via the KCRS model (a continuous simulation model), as required by the manual, to determine the flow control standard for the stormwater control system. Detention ponds were also sized using this model.

MAIN PROPERTY

Detention ponds will be provided to control release rates from the Main Property. Five detention ponds are proposed throughout the property, one detention facility may be located offsite. Post-development drainage basins will be configured and outfall locations selected to reduce impacts on downstream water resources (i.e., due to erosion or reduction in stream base flows). Where possible, stormwater discharge will be directed towards natural discharge locations, including: Lawson Creek, Mud Lake, Ginder Creek and a defined channel that flows to the Unnamed Creek tributary to Jones Lake. Runoff from rooftops and other non-pollution generating surfaces will be used to maintain recharge to the onsite wetlands.

Two options are proposed for discharge of the stormwater on the Main Property. Under both of these options part of the stormwater runoff from the central portion of the site will be piped from stormwater ponds in the western portion of the site to locations near Jones Lake. The routes under the two options will differ, but both are proposed to by-pass a portion of Lawson Creek downstream of the site and thereby avoid exacerbating existing erosion problems in the Creek. Two options are also proposed to address stormwater runoff from the extreme western portion of the site and from the frontage improvements proposed on SR 169. The options for this component of the stormwater control system will feature larger or smaller detention ponds and possibly water quality facilities offsite.

Water quality treatment on the Main Property will be provided by wetponds, and a treatment sequence featuring a basic wetpond followed by a sand filter. Wetponds will be used for phosphorous treatment on those portions of the property that drain to Lake Sawyer. Wetponds followed by a sand filter will be used on those portions of the property where 50 percent or more of the proposed development will be in commercial and/or multifamily uses.

NORTH TRIANGLE PROPERTY

The majority of the North Triangle Property is underlain by outwash soils with good infiltration rates. Therefore, stormwater runoff is proposed to be infiltrated in the lower portion of the North Triangle Property, together with offsite areas that currently infiltrate in this portion of the property.

Water quality treatment for runoff from paved surfaces on the North Triangle Property will be provided prior to infiltration through one or more of the methods from the 2005 Ecology Manual that will meet enhanced and phosphorous removal requirements. The methods include: large sand filter, amended sand filter, stormwater treatment wetland followed by sand filter, compost amended filter strip and two-facility treatment sequences. Where possible, sand filters will be incorporated into landscape areas for water quality treatment. Runoff from roof tops and other non-pollution-generating surfaces will not receive water quality treatment prior to infiltration, as allowed by the Ecology Manual.

LOW IMPACT DEVELOPMENT

The design and development of the MPD will incorporate Low Impact Development (LID) methods and best management practices in order to reduce the potential impacts of development on water resources when practical to enhance the overall environment and character of the community and reduce long term maintenance costs. LID measures will be incorporated into the site planning, and stormwater control, roadway and utility systems.

The site plan for the MPD is intended to minimize the amount of site disturbance and to protect natural features, including water resources. The clustering of development will retain approximately 138 acres of the total MPD site area in open space. LID measures that may be used in the design of individual lots include: reduced front yard setbacks to decrease driveway lengths and associated impervious surface area, and decreased lot sizes to minimize the overall development footprint.

The stormwater control system will maintain wetland recharge for wetlands located on the Main Property in order to protect wetland hydrology and function. Runoff from rooftops and detention facilities will be used to recharge onsite wetlands.

The outwash soils on the North Triangle property are well suited to many LID concepts, because of their high infiltration rates. As mentioned previously, stormwater runoff will be infiltrated for the entire North Triangle property. Runoff from rooftops and other non-pollution generating surfaces will be infiltrated directly without water quality treatment.

Porous pavement and pavers could be used on non-pervious surfaces, such as walkways. LID concepts could also be used within landscape planter islands and medians, such as: bioretention facilities, rain gardens, infiltration basins with amended soils, and mixing of soil strippings with compost for top dressing over planters.

LID techniques could be incorporated into the proposed street and circulation network on both properties to reduce the amount of impervious surface area. These techniques include: narrower street widths, sidewalks on one side of the street, street trees and landscape meridians, narrower lot frontages to reduce the overall road length per home, pedestrian paths in open space areas to increase connectivity, and clustering lots to reduce road lengths.

CLEARING AND GRADING

Development of the MPD as residences, retail/commercial and office areas, a school site, parks, roadways and other infrastructure will require clearing and grading within the site and in certain offsite areas. The design plan for Lawson Hills respects the hillside nature of the site and works closely with the existing topography. Shallow bedrock conditions further influence the development plan and grading.

A specific grading plan has not yet been formulated; however, it is estimated that approximately 1 million cubic yards of soil could be exported and 665,000 cubic yards of soil could be imported for construction of the entire project, assuming that high moisture content soils from the site will be exported. If admixtures, such as cement or kiln dust, are used to amend the high moisture content soils onsite, approximately 540,000 cubic yards of soil could be exported and 165,000 cubic yards of soils could be imported. It is likely that a portion of the high moisture content soils will be treated with admixtures and a portion will be exported. Therefore, the actual amounts of soil to be imported and exported will likely fall between the above values. Exported soils will be transported to an approved disposal location.

DEVELOPMENT APPROVAL PROCESS

Issuance of an MPD permit by the City Council and subsequent execution and recording of a development agreement is the first step in the development process. In addition, a Planned Action ordinance will be adopted that establishes the level of development and thresholds within the MPD that can occur without additional SEPA review. These documents provide the standards and procedures for which all future implementing development actions within the MPD boundaries, such as preliminary plats, commercial site plans, grading permits, and others, will be reviewed against. Appropriate permits will be submitted for each future preliminary land use approval. Following preliminary land use approval (e.g. preliminary plat), detailed engineering and construction documents would be developed and approved by the City prior to infrastructure and/or building construction.

CONSTRUCTION SCHEDULE

Development of the Lawson Hills MPD is expected to commence in 2010. Full buildout is anticipated to occur by 2025. Phasing of residential development will largely depend upon market conditions. Development of the commercial/retail and office areas will also depend upon market conditions. The commercial/retail and office area on the North Triangle Property will likely be developed within the first few years of MPD development.

PROJECT HISTORY

The City of Black Diamond, including the historic downtown, Morganville, Lawson Hills and various additional properties, was incorporated in 1959. The City completed its first Comprehensive Plan in 1980. This plan proposed future annexation of lands to the northwest, east and southwest to the City. Subsequent annexations in 1985 and 1994 added lands to the northwest and southwest of the City. The City of Black Diamond completed its first Comprehensive Plan in compliance with the Growth Management Act (GMA) in 1996. That same year, the City negotiated a “potential annexation area” (PAA) agreement with King County and nearby property owners. This agreement was formalized as the Black Diamond Urban Growth Area Agreement (BDUGAA) (see below for details). Following execution of the BDUGAA, the City annexed an area around Lake Sawyer and the West Annexation Area to the City in 1998 and 2005, respectively (the North Triangle Property and a portion of the proposed Villages MPD site are in the West Annexation Area). The Covington Creek and the Lake 12 Annexation Areas are the remaining PAAs.

PRIOR PLANNING AND AGREEMENTS

Following are further descriptions of key planning actions and agreements and their relationship to the Lawson Hills site and its proposed development.

BLACK DIAMOND URBAN GROWTH AREA AGREEMENT

In December 1996, the City of Black Diamond, King County, Plum Creek Timber Company, L.P., and Palmer Coking Coal Company entered into the Black Diamond Urban Growth Area Agreement (BDUGAA) (adopted as King County Ordinance No. 12534). This joint planning effort and agreement provides the foundation for the annexation and development of properties within the City of Black Diamond’s Urban Growth Area (UGA). Through the agreement, an approximately 782-acre Potential Annexation Area (PAA) was identified that coincides with the City’s UGA and includes: the West, South, East and Lake 12 Annexation Areas. The PAA includes lands that upon annexation to the City are intended for urban development and lands that are to be set aside as permanent open space. Implementation of the BDUGAA will result in the protection of over 2,500 acres of open space in the City, unincorporated County and the City’s UGA. The agreement sets forth the conditions for (i.e., availability of sewer and water service and major road access) and potential timing of the annexations. The agreement includes provisions for establishing appropriate land uses, zoning, residential density and development standards for urban development in the PAAs. The BDUGAA also directs the City to establish a Transfer of Development Rights Program for Open Space (TDR). Since 1996, portions of the PAA have been annexed to the

City (in the Lake Sawyer and West Annexation Areas, as noted above) and temporary conservation easements were put in place in anticipation of future development as required by the BDUGAA.

As indicated above, the Lawson Hills North Triangle Property is a portion of the West Annexation Area and the easternmost portion of the Lawson Hills Main Property is located in the East Annexation Area. Therefore, these properties/portions of properties are subject to the provisions of the BDUGAA. The West Annexation Area was annexed to the City in 2005. The East Annexation area is anticipated to be annexed concurrent with the MPD application. As required by the BDUGAA, water and sewer service and major road access for the East Annexation Area must be available at the time of annexation, or provisions must be in place so that this service/infrastructure can be provided at the time of project completion.

BLACK DIAMOND TRANSFERABLE DEVELOPMENT RIGHTS PROGRAM

In December 2003, the City of Black Diamond adopted the Black Diamond Transferable Development Rights (TDR) Program via Ordinance No. 752 (the ordinance was subsequently codified as Chapter 19.24 of the Black Diamond Municipal Code). This program is being used, in conjunction with other measures, to protect property rights while allowing development rights to be transferred from properties that have been determined to be of greater public benefit as open space, parks or community facilities, in accordance with the BDUGAA.

Generally, the program allows the City to transfer development rights from properties it wants to protect from development (TDR Sending Areas), to other areas within the City that the City has determined are better suited to urban development (TDR Receiving Areas). Eligible sending areas are shown on the TDR Sending Area Map, attached to Ordinance No. 752 as Exhibit 2. Eligible TDR Receiving Areas are identified on the TDR Program Map, also attached to Ordinance No. 752 as Exhibit 2. Property owners who sell their development rights must establish conservation easements on their land permanently restricting future development and protecting/preserving the environmental/resource values of the TDR Sending Area. Developers, who purchase the development rights from properties to be conserved can transfer those rights to eligible receiving sites and increase the residential densities on their property, the TDR Receiving Area, beyond levels that would otherwise be allowed.

The 50-acre East Annexation Area is designated as a TDR Receiving Area and is, therefore, eligible to accommodate urban residential development. A 50-acre In-City Forest Land, located to the south of and adjacent to the Main Property, is designated as a TDR Sending area by the City's TDR Program. The applicant has secured the TDRs from the In-City Forest Property, which was recently conveyed to the City. Once the East Annexation Area is brought into the City, the TDRs will be applied to the East Annexation Area as contemplated in the BDUGAA.

BLACK DIAMOND AREA OPEN SPACE AGREEMENT

In June 2005, the City of Black Diamond, King County, Plum Creek Timber Company and Cascade Land Conservancy entered into the Black Diamond Open Space Agreement. The purpose of the agreement was to more specifically identify lands that qualify as In-City Open Space required to be protected or conserved under Section 7 of the Black Diamond Urban Growth Area Agreement. It further sets forth the steps that must be carried out to meet these BDUGAA requirements prior to Annexation of the South and West Annexation Areas into the City. The agreement included conservation easements, deeds and dedication documents that protected or conserved a substantial portion of the In-City Open Space areas required for the West and South annexation areas.

The In-City Open Space specified in the agreement included preservation of not less than 55 acres of property along SR 169 to create a visual buffer (or view corridor open space) on the Lawson Hills North Triangle Property and the adjacent property to the east, and a trail corridor on the adjacent property to the east. The intent of the visual buffer is to obscure any future development on the North Triangle Property and the property to the east from views along SR 169 with existing or new vegetation. The In-City Open Space to be protected/conserved that is specified in the Open Space Agreement also includes the 50-acre In-City Forest Land, located to the south of the Lawson Hills Main Property (subject to the TDR Program, as noted above).

WEST ANNEXATION AREA PRE-ANNEXATION AND DEVELOPMENT AGREEMENT

In December 2005, the conditions of the Black Diamond Area Open Space Agreement relative to the West Annexation Area were met and the area was annexed into the City. The BDUGAA required that the City and Plum Creek Land Company enter into an agreement to establish land uses, zoning and development standards for urban development in the West Annexation Area. The West Annexation Area Pre-Annexation and Development Agreement between these parties address these requirements.

The agreement establishes that zoning of the West Annexation Area, including the North Triangle Property will be MPD Overlay. The land uses allowed by the agreement on the North Triangle Property are commercial and residential uses and open space, as shown in the BDUGAA. The agreement stipulates that the North Triangle Property be developed in accordance with the development standards in effect when a complete MPD application is submitted. The allowed residential density, as well as the requirements for open space, sewer and water service, roads and development phasing, stipulated in the agreement will be met by the MPD development on the North Triangle Property.

BLACK DIAMOND MASTER PLANNED DEVELOPMENT ORDINANCES

In 2005, the City adopted Master Planned Development Ordinance No. 05-779 and No. 05-796 (these ordinances were subsequently codified as Chapter 18.98 of the Black Diamond Municipal Code). In April 2009, the City adopted Ordinance No. 09-897 which significantly revised Chapter 18.98. These ordinances describe the development standards,

requirements and permit process for MPDs. The ordinances indicate that MPDs are required for parcels/groups of parcels in the City of Black Diamond that are designated in an MPD Overlay zone or are contained in a single ownership and at least 80 acres in size. A key purpose of MPDs is to create mixed-use neighborhoods with a balance of housing employment and recreational opportunities. MPDs are intended to preserve passive open space (including critical areas) and active open space in a coordinated manner. They are meant to provide greater certainty about the character and timing of development and population growth in the City. They are also meant to provide needed services and facilities in an orderly, fiscally responsible manner. A specific objective of MPDs is to provide public benefits not typically available through conventional development.

The Lawson Hills site, including the Main Property and the North Triangle Property, is contained within a single ownership and in total is over 80 acres in size. Therefore, the provisions of the MPD ordinances would pertain to development of the site.