
ENSO Mixed Use Development

(PDR-010071-2023)

January 29, 2024

I. Application

Project Name:	ENSO Mixed Use Development (Formerly Kinect 2)
File Numbers:	PDR-010071-2023
Location:	Northwest corner of 198th St SW and 40 th Ave W.
Tax Parcel Number:	00372600701311, 00372600701309
Zoning:	CC-C (City Center – Core)
Future Land Use:	CCTR (City Center)
Site Area:	1.9 Acres
Property Owner:	40 th AVE Associates Phase II LLC, Pro Land Enterprises
Applicant:	Sean Thorson, Director of Acquisitions ACG Development 425-240-0731; sthorson@acg.com
Staff Reviewers:	Zack Spencer, Planner 425-670-5435; zspencer@lynnwoodwa.gov
Applicable Design Guidelines:	City Center Design Guidelines
Related Permits:	Associated Building and Construction Permits
Decision:	Approved with Conditions

II. Exhibits

1. Plan Set, December 21, 2023, prepared by ACG Design
2. Landscape Plans, October 5, 2023, prepared by SCJ Alliance
3. Drainage Plan, October 5, 2023, prepared by ACG Design
4. Geotechnical Report, April 11, 2023 prepared by Earth Solution, NW
5. SEPA Checklist, prepared May 1, 2023, prepared by ACG Development
6. Technical Memorandum, December 21, 2023, prepared by TRC
7. City Center Design Guidelines Checklist, May 31, 2023, prepared by ACG Design

III. Findings of Fact

a. Background

The subject property is located on the northwest corner of 198th St SW and 40th Ave W, on parcels 00372600701311 and 00372600701309. The 1.9 acre site is currently occupied by a commercial building and associated parking lots.

The site is located within the City Center Subarea, zoned as City Center – Core. This zone implements development patterns supporting mixed use buildings including street level commercial uses on the Promenade along 198th Street SW. The City Center anticipates significant redevelopment of existing buildings to support the redevelopment and densification.

b. Proposal Description

ENSO multifamily is a proposed 318-unit multi-family housing development including studio, 1, 2, and 3 bedroom units and approximately 4,200 square feet of retail space on the first floor fronting along 198th St SW. The project will incorporate 20% of residential units as affordable units under Lynnwood’s MFTE (Multiple-Unit Housing Property Tax Exemption) program. The proposed construction includes a 7-story building with a gross floor area of 458,050 sq ft. Proposed construction improvements to the 1.9-acre site include all associated utilities, stormwater management, right-of-way improvements, and landscaping.

c. Noticing and Review Timelines

The application was submitted May 9, 2023, and deemed complete on June 16, 2023. On June 30, 2023, a Notice of Application was posted at the City of Lynnwood official posting sites and was published in the Everett Herald. Owners of property and tenants within a 300-foot radius of the subject property were also mailed a Notice of Application. The comment period ended on July 14, 2023. In accordance with Lynnwood Municipal Code (LMC) 1.35.333, any written comments received prior to the date of this decision have been considered.

d. Environmental Review

The City Center Subarea completed an Environmental Impact Statement (EIS) on September 9, 2004. An addendum was issued on March 18, 2022 that revised the preferred development scenario Alternative B to Alternative C-Amended. On September 12, 2022, the Lynnwood City Council approved Ordinance 3425 City Center Planned Action. This ordinance reviewed environmental impacts associated with development consistent with Alternative C-Amended.

The Applicant submitted a SEPA Checklist prepared on May 1, 2023 (Exhibit 5). This SEPA Checklist demonstrated that the proposed ENSO Project complies with the Planned Action Ordinance and does not require independent SEPA Review.

e. Site Remediation

The site was formerly the site of a dry-cleaning business, which had lasting contamination effects on the site, detailed in Exhibit 6. In summary, the chlorinated solvent PCE, commonly used in dry cleaning, was detected on the site around the location of the former dry-cleaning business. In addition, petroleum products DRO and ORO in the southeast corner of the site. The two petroleum contaminants were found in such low concentrations as to not be of concern.

The compound PCE does not appear to be migrating off site. Remediation will include excavation and removal of any contaminated soils for disposal off-site. After removal of any affected soils, an Environmental Covenant requiring periodic groundwater monitoring at a schedule determined by Ecology. Final compliance of the remediation will be overseen by the Department of Ecology.

f. Drainage Compliance

Compliance with the 2019 Stormwater Management Manual for Western Washington includes the use of an underground stormwater vault to provide detention released at rates consistent with Western Washington Hydrology Model (WWHM) or equivalent standards. These details are shown in Exhibit 3. The connection from the private stormwater system to the public conveyance system requires the use of a dynamic pump. This pump is proposed to release water at rates consistent with the flow restriction from the detention vault. Final technical approval will occur through the Development Engineering Permit(s).

g. Parking Agreement

This site has a parking agreement with the adjoining property to the west, owned by the City of Lynnwood and occupied by Goodwill. This private agreement provides the right to use 35 parking stalls. The agreement states that the 35 stalls may be relocated to another portion of the property or to an off-site location as mutually acceptable to the City of Lynnwood and Goodwill. The final location of the displaced parking not been agreed to. A resolution to the displaced parking is not required to be in place until construction will impact the existing parking subject to the original agreement.

IV. PDR Decision Criteria

Lynnwood Municipal Code (LMC) 21.25.145 states the decision criteria that the Director will use in determining if a proposal meets the merits of Project Design Review. In addition to these criteria, the proposal must comply with all applicable zoning regulations.

a. Consistency with the Comprehensive Plan

The property is designated on the Future Land Use Map in the Comprehensive Plan as City Center (CCTR). The principal land uses in the CCTR category are retail, office and service uses, eating and drinking, hospitality, and entertainment uses.

The following policies and strategies from the Comprehensive Plan are relevant to this Project Design Review and action on this application:

Land Use Designation:

Table LU-6 (D) provides the following description of the CCTR land use category.

1. Primary Land Use:

- a. Multifamily dwellings, retail, office, service, food and drink, hospitality and entertainment uses.

Staff Analysis: The project contains 318 housing units and approximately 4,200 square feet of retail space which may be used for food or drink as well. This meets CCTR Land Use Designation.

2. Design:

- a. Multi-story buildings with orientation to pedestrians. Compliance with City Center Design Guidelines.

Staff Analysis: The project utilizes a main entrance on the 198th Street promenade, a 5 ft sidewalk dedication, and a pedestrian path wrapping around the entirety of the building exterior to meet this requirement. See section IV.b.i.3 for compliance with City Center Design Guidelines.

- **Land Use Policy LU-19:** “Accommodation of the population and employment growth specified by the Countywide Planning Policies should primarily occur within the designated Lynnwood Regional Growth Center and along Highway 99.”

Staff Analysis: This project will provide 318 new multi-family units within Lynnwood’s designated Regional Growth Center, which includes this and other adjacent parcels in the area.

- **Land Use Strategy LU-B:** “Population and employment growth as called for by the Countywide Planning Policies should occur primarily within the Lynnwood Regional Growth Center and along Highway 99.”

Staff Analysis: As noted above, this project is located within the Lynnwood Regional Growth Center.

- **Community Character Policy CC-1.3:** “The visual character of buildings shall be enhanced by means of architectural design and landscape elements to create a human scale and enhance and integrate the urban character for the streetscape and abutting residential uses.”

Staff Analysis: The proposed development meets the City Center Design Guidelines and includes architectural design and landscape elements that create a human scale and urban character.

- **Community Character Policy CC-3.1:** “Neighborhood-specific or subarea design guidelines and/or infrastructure improvement plans should be used to address issues unique to a specific area; and to foster neighborhood identity and “sense of place”.

Staff Analysis: The objective of the project is to promote the development of the City Center neighborhood as a compact, pedestrian-friendly urban area that integrates seamlessly with

the surrounding infrastructure and developments, resulting in a unified and harmonious neighborhood. To achieve this goal, the main entrance, lobby, and event space will face the pedestrian promenade street 198th Street SW, as well as fronting proposed restaurant use on the future Town Square Park which will contribute to the liveliness and pedestrian-oriented nature that we aim to achieve in the City Center Subarea.

b. Zoning Analysis

The proposed development is located within the City Center – Core (CC-C) which is a form-based zone with design standards and prohibited uses. This zone does not prohibit multifamily or commercial uses. The proposed development must comply with:

- LMC 21.60 City Center
- City Center Design Guidelines
- City Center Streetscape Standards

Staff Analysis: The proposed development is a mixed-use project with street level commercial along 198th Street SW. The development proposes street frontage consistent with the alternative plantings previously approved at the Ember Apartments across the street. Additional description of compliance is listed under Subsection D.

c. Compliance with LMC 21.25 – Project Design Review

Chapter 21.25 LMC contains requirements for processing a Project Design Review (PDR) application. This title outlines the procedures that Staff must follow to process the application. The Applicant has the burden of demonstrating how the application meets the merits of PDR decisional criteria; this is accomplished by validating compliance with applicable zoning regulations and Design Guidelines.

LMC 21.25.145(B)

Requires that the following decision criteria be met for approval in the project design review process:

1. It is consistent with the Comprehensive Plan.
Staff Analysis: This project is consistent with the goals and policies of the comprehensive plan as detailed above in section a. The project brings density to City Center and the MUGA, as well as providing more retail space to the future pedestrian promenade.
2. It is consistent with all applicable provisions of this chapter.
Staff Analysis: This project is consistent with the purpose of design review as defined in Lynnwood Municipal Code 21.25. Site plans and elevations are shown on Exhibit 1-2 of the submittal package to the City.

d. Compliance with LMC 21.60 – City Center District (CC) Zone

Staff reviewed proposal for consistency with development standards per LMC 21.60.400 and determined that the proposal meets each of the development standards listed in the section. This includes street orientation, celebratory corner, building transparency, and approved materials. The Applicant provided detail of compliance with the City Center Design Standards in Exhibit 7.

The Applicant has proposed alternative street frontage requirements to maintain consistency with the Ember Apartments on the southwest corner of 198th Street SW and 40th Avenue West. This alternative for Ember Apartments was previously approved to promote better plant health without compromising the walkability and design aesthetics of the City Center. Providing further design continuity along 40th Avenue West and the Promenade is necessary for City Center implementation. The alternative is granted for Enso as shown in Exhibit 2. Final configurations will be approved in the Development Engineering Permit as listed in Condition 4.

City Center requires a minimum one square foot of open space/plaza per 100 square feet of land area and building area. The proposed project has proposed a combination of areas including along the western boundary, northern boundary, and enhanced areas along the promenade. These linear areas include proposed design, artwork, and lighting to ensure the areas are activated. While the City Center Design Guidelines seek the development of larger square plazas, the linear areas comply with the standards.

V. Public and Agency Comments

A 14-day public comment period on the proposal ended on July 14, 2023. Referrals were sent to all applicable City Departments and outside agencies. All comments received are kept on file.

VI. Conclusion and Conditions of Approval

a. Conclusion

Based on the application materials (exhibits) and the analysis contained in this staff report, staff concludes that the applicant has met the decision criteria for approval of the Project Design Review (PDR).

b. Conditions of Approval

Staff recommends approval of the ENSO Multifamily Development (PDR-010071-2023) application, subject to the following conditions:

1. Prior to approval of Development Engineering Permits, the water line must be relocated along 198th Street SW and 40th Avenue West or as approved through the Development Engineering permit.
2. Prior to approval of Development Engineering Permits, the existing fire hydrant at the south-west corner of the property is to be relocated into the 198th Street SW amenity zone.
3. Prior to approval of Development Engineering Permits, a plan for access to the stormwater vault to for annual inspection must be reviewed and approved.
4. Prior to approval of Development Engineering Permits, the final configuration of all streetscape elements including bollards will be verified. This may include minor adjustments from the PDR Plan Set as determined necessary by City Staff.

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5. Prior to issuance of Development Engineering Permits, the applicant must coordinate with neighboring property owner and tenant to the west for construction of the western retaining including any temporary construction easements.
 6. Prior to issuance of building permits, a Boundary Line Adjustment will need to be submitted, approved, and recorded.
 7. Prior to ordering any streetscape amenities (benches, streetlights, bike racks, etc.), the City will proof the ordering to ensure compliance with City Center Design Standards and Streetscape Standards.
 8. Prior to Certificate of Occupancy, the move in/out garage will include graphical design on the door, such as a mural or similar, to be approved by the Community Planning Manager.
 9. Prior to Certificate of Occupancy, on the face of the stair risers on western property line is to include art/graphical design, such as a mural or similar, to be approved by the Community Planning Manager.
 10. Prior to Certificate of Occupancy, provide an easement for pedestrian access along north and west walkways to allow future adjacent development to adjoin their pedestrian access. The condition will support private pedestrian connections (page I5, CCDG, H).
 11. Following project completion, no film may be added to the glass along 198th Street SW or 40th Avenue West which would reduce the required transparency into commercial spaces unless approved by the Community Planning Manager.

VII. Director's Decision

Reviewed by: *Karl Almgren* Date: 1/26/2024
Karl Almgren, AICP
Community Planning Manager

Approved by: *David Kleitsch* Date: Jan 29, 2024
David Kleitsch (Jan 29, 2024 11:24 PST)
David Kleitsch
Development & Business Services Director

VIII. Notice of Decision and Right of Appeal

Administrative decisions of the director may be appealed by filing a written request for appeal with the Development & Business Services Department within 14 calendar days. The appeal

deadline shall be **February 13, 2024**. An appeal filed within this time limit shall be processed pursuant to Process II, as identified in LMC Section 1.35.200.

IX. Lapse of Approval

The applicant under this process must begin construction or submit to the city a complete building permit application for the proposal **within two years** after the final decision on the matter, or the decision becomes void. The applicant must substantially complete construction for the proposal approved under this process and complete the applicable conditions listed in the decision within five years after the final decision of the city on the matter, or the decision becomes void per LMC 21.25.165. No later than two weeks prior to the lapse of approval, the applicant may submit a written request with supporting documentation to the Development & Business Services Department requesting a one-time extension of those time limits of up to one year per LMC 21.25.170(A).

X. Revisions After Approval

The determination that the proposal meets the criteria for a subsequent modification exception is based on all plans, details, catalogue cuts, specifications, renderings, notes, materials, and color samples submitted for design review. Any changes to the design of the project as indicated by the above submitted materials will require additional review and may delay issuance of subsequent development permits for the proposal and/or inspections during construction.

XI. Waiver

The approval of Project Design Review does not in any way replace, modify, or waive any requirement for the compliance of the proposal with other applicable codes, standards, or regulations, including, but not necessarily limited to, those of the Public Works, Permit & Inspections, and Fire Departments.






Enso Director Decision

Final Audit Report

2024-01-29

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