

SEPA ENVIRONMENTAL CHECKLIST

Purpose of checklist:

Governmental agencies use this checklist to help determine whether the environmental impacts of your proposal are significant. This information is also helpful to determine if available avoidance, minimization or compensatory mitigation measures will address the probable significant impacts or if an environmental impact statement will be prepared to further analyze the proposal.

Instructions for applicants:

This environmental checklist asks you to describe some basic information about your proposal. Please answer each question accurately and carefully, to the best of your knowledge. You may need to consult with an agency specialist or private consultant for some questions. You may use "not applicable" or "does not apply" only when you can explain why it does not apply and not when the answer is unknown. You may also attach or incorporate by reference additional studies reports. Complete and accurate answers to these questions often avoid delays with the SEPA process as well as later in the decision-making process.

The checklist questions apply to all parts of your proposal, even if you plan to do them over a period of time or on different parcels of land. Attach any additional information that will help describe your proposal or its environmental effects. The agency to which you submit this checklist may ask you to explain your answers or provide additional information reasonably related to determining if there may be significant adverse impact.

Instructions for Lead Agencies:

Please adjust the format of this template as needed. Additional information may be necessary to evaluate the existing environment, all interrelated aspects of the proposal and an analysis of adverse impacts. The checklist is considered the first but not necessarily the only source of information needed to make an adequate threshold determination. Once a threshold determination is made, the lead agency is responsible for the completeness and accuracy of the checklist and other supporting documents.

Use of checklist for nonproject proposals:

For nonproject proposals (such as ordinances, regulations, plans and programs), complete the applicable parts of sections A and B plus the [SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS \(part D\)](#). Please completely answer all questions that apply and note that the words "project," "applicant," and "property or site" should be read as "proposal," "proponent," and "affected geographic area," respectively. The lead agency may exclude (for non-projects) questions in Part B - Environmental Elements –that do not contribute meaningfully to the analysis of the proposal.

A. Background

1. Name of proposed project, if applicable: *Martin Way Commercial/Residential Development*
2. Name of applicant: *Legacy/Collier Residential LLC*
3. Address and phone number of applicant and contact person:

c/o Ernie Velton,
JSH Properties
2620 Bellevue Way NE, PMB 122
Bellevue, WA 98004
Office: 425-283-5471
Cell: 425-985-7573
erniev@jshproperties.com
www.jshproperties.com

4. Date checklist prepared: *April 2024*
5. Agency requesting checklist: *Washington State Department of Natural Resources*
6. Proposed timing or schedule (including phasing, if applicable): *DNR is currently intending to negotiate a ground lease with a developer. Lease negotiations are anticipated to occur within 2024-25 with potential development activity occurring as early as 2025.*
7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain. *DNR's current plans are solely to negotiate a ground lease for future development. Future development of the site by the lessee may require additional SEPA review at the time of development.*
8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal. *None known at this time.*
9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain. *There are currently no other applications pending government approval for the subject property.*
10. List any government approvals or permits that will be needed for your proposal, if known. *The developer will need to complete changes to zoning as part of the ground leasing activity. SEPA is required along with Cultural Heritage Review prior to entering a new DNR ground lease. In future phases the developer will be required to submit permits pursuant to the city of Lacey requirements including, but not limited to, subdivision, rezone, and site plan approvals.*
11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.) *As part of the ground leasing action, lessee is proposing to lease the entire 18.35 acres. Future development is likely to include multi-family housing (approximately 288 units) on 14 acres and a mix of commercial and retail on the remaining 4+ acres adjacent to Martin Way.*
12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic

map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.

Site Address: 8403 Martin Way East, Lacey, WA 98516

Abbreviated Legal Description: Portion of the SE ¼ Section 11, Township 18 North, Range 1W, Thurston, County, WA.

B. ENVIRONMENTAL ELEMENTS

1. Earth

a. General description of the site:

(circle one): Flat, rolling, hilly, steep slopes, mountainous, other _____

b. What is the steepest slope on the site (approximate percent slope)? *0-3% per slope information shown on the DNR State Uplands Viewing Tool.*

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any agricultural land of long-term commercial significance and whether the proposal results in removing any of these soils. *Spanaway gravelly sandy loam per NRCS soil data and DNR State Uplands Viewing Tool.*

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe. *No.*

e. Describe the purpose, type, total area, and approximate quantities and total affected area of any filling, excavation, and grading proposed. Indicate source of fill. *None for the ground lease action.*

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe. *None for the initial ground leasing action. Future phases are unknown however unlikely given the 0-3% slope.*

g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)? *The ground leasing action will not include development of impervious surfaces. The percentage of impervious surfaces for future development activity is currently unknown.*

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any: *None needed for the initial ground leasing action. Future development will be required to reduce or control erosion consistent with the City of Lacey permit requirements.*

2. Air

a. What types of emissions to the air would result from the proposal during construction, operation, and maintenance when the project is completed? If any, generally describe and give approximate quantities if known. *None for the initial ground leasing action. Future*

phases are currently unknown beyond standard home and vehicle emissions associated with any new mixed use development project.

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe. *None known.*

c. Proposed measures to reduce or control emissions or other impacts to air, if any: *None needed.*

3. Water

a. Surface Water:

1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into. *There are no wetlands or bodies of water on or near the site.*

2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans. *No.*

3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material. *None for the ground leasing action.*

4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known. *The ground lease does not require any surface water withdrawals or diversions.*

5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan. *No, per FEMA Map number 53067CO192E effective on 10/16/2012.*

6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge. *The ground lease does not involve any discharge of waste materials to surface waters.*

b. Ground Water:

1) Will groundwater be withdrawn from a well for drinking water or other purposes? If so, give a general description of the well, proposed uses and approximate quantities withdrawn from the well. Will water be discharged to groundwater? Give general description, purpose, and approximate quantities if known. *There will be no groundwater withdrawn in the initial phase of the ground lease. Future development will be subject to water hook-up accessibility.*

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals. . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve. *There is no waste material in the initial phase of the ground lease. Future development will be subject to public sewer hook-up.*

c. Water runoff (including stormwater):

1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe. *The initial ground leasing action will not create any water runoff. Future development and construction will be required to comply with Thurston County Code pertaining to stormwater facilities.*

2) Could waste materials enter ground or surface waters? If so, generally describe. *There will be no waste materials produced for the ground leasing action.*

3) Does the proposal alter or otherwise affect drainage patterns in the vicinity of the site? If so, describe. *The ground leasing action will not alter or affect drainage patterns.*

d. Proposed measures to reduce or control surface, ground, and runoff water, and drainage pattern impacts, if any: *None needed for the initial ground leasing action.*

4. Plants

a. Check the types of vegetation found on the site:

deciduous tree: alder, maple, aspen, other

evergreen tree: fir, cedar, pine, other

shrubs

grass

pasture

crop or grain

Orchards, vineyards or other permanent crops.

wet soil plants: cattail, buttercup, bullrush, skunk cabbage, other

water plants: water lily, eelgrass, milfoil, other

other types of vegetation

b. What kind and amount of vegetation will be removed or altered? *The ground leasing action will not require the removal of any vegetation. Future development will include removal of trees and shrubs.*

- c. List threatened and endangered species known to be on or near the site. *None known per DNR's State Uplands Viewing Tool which includes USFWS and WDFW habitat data.*
- d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any: *The ground leasing action will not require landscaping. Future development will conform to city of Lacey landscaping requirements.*
- e. List all noxious weeds and invasive species known to be on or near the site. *None known.*

5. Animals

- a. List any birds and other animals which have been observed on or near the site or are known to be on or near the site. *None known pursuant to review of DNR's State Upland Viewing Tool.*

Examples include:

birds: hawk, heron, eagle, songbirds, other:
 mammals: deer, bear, elk, beaver, other:
 fish: bass, salmon, trout, herring, shellfish, other _____

- b. List any threatened and endangered species known to be on or near the site. *None have been reported or identified.*
- c. Is the site part of a migration route? If so, explain. *All of Washington state is within the Pacific Flyway. This site will impact the flyway however all future improvements are anticipated to remain at a height level below the current tree canopy and consistent with the City of Lacey's development standards.*
- d. Proposed measures to preserve or enhance wildlife, if any: *No measures will be implemented for the ground leasing action. Future development will be required to comply with city of Lacey development standards.*
- e. List any invasive animal species known to be on or near the site. *None known.*

6. Energy and Natural Resources

- a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc. *No energy is required as part of the initial ground lease phase. Future phases of development will require electricity.*

b. Would your project affect the potential use of solar energy by adjacent properties? *No*. If so, generally describe.

c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any: *Energy conservation is not applicable for the initial ground leasing action. Energy conservation features are unknown currently for any future development.*

7. Environmental Health

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste, that could occur as a result of this proposal? If so, describe. *There are no known environmental health hazards associated with this ground leasing action. Environmental health hazards for future development are unknown at this time.*

1) Describe any known or possible contamination at the site from present or past uses. *N/A*

2) Describe existing hazardous chemicals/conditions that might affect project development and design. This includes underground hazardous liquid and gas transmission pipelines located within the project area and in the vicinity. *N/A*

3) Describe any toxic or hazardous chemicals that might be stored, used, or produced during the project's development or construction, or at any time during the operating life of the project. *N/A*

4) Describe special emergency services that might be required. *N/A*

5) Proposed measures to reduce or control environmental health hazards, if any: *N/A*

b. Noise

1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)? *Existing traffic noise on Martin Way may affect future development.*

2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site. *The initial ground leasing action will not create any noise. Future development and construction will be conducted during standard business hours.*

3) Proposed measures to reduce or control noise impacts, if any: *Not applicable to the initial ground leasing action. Measures to reduce noise impacts in future development and construction will be undertaken by the developer as required by the city of Lacey.*

8. Land and Shoreline Use

a. What is the current use of the site and adjacent properties? Will the proposal affect current land uses on nearby or adjacent properties? If so, describe. *The property is currently vacant and undeveloped and is surrounded on the south and east sides by a mix of multi-family and single family development. The north and west sides of the property contain commercial development. Future development will be compatible with adjacent properties.*

b. Has the project site been used as working farmlands or working forest lands? If so, describe. How much agricultural or forest land of long-term commercial significance will be converted to other uses as a result of the proposal, if any? If resource lands have not been designated, how many acres in farmland or forest land tax status will be converted to nonfarm or nonforest use? *The property has not been used as working farmlands or forest lands in recent history. This property is not designated as forest lands of long-term commercial significance.*

1) Will the proposal affect or be affected by surrounding working farm or forest land normal business operations, such as oversize equipment access, the application of pesticides, tilling, and harvesting? If so, how: *No, the property is located within the city limits of Lacey and completely surrounded by developed residential and commercial properties.*

c. Describe any structures on the site. *No structures exist on the site.*

d. Will any structures be demolished? If so, what? *N/A*

e. What is the current zoning classification of the site? *General Commercial.*

f. What is the current comprehensive plan designation of the site? *General Commercial.*

g. If applicable, what is the current shoreline master program designation of the site? *N/A.*

h. Has any part of the site been classified as a critical area by the city or county? If so, specify. *No.*

- i. Approximately how many people would reside or work in the completed project? *The ground leasing action would not include any people residing or working on the property. Future development estimates are unknown.*
- j. Approximately how many people would the completed project displace? *The property is currently undeveloped vacant land therefore no people would be displaced.*
- k. Proposed measures to avoid or reduce displacement impacts, if any: *N/A.*
- l. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any: *The ground leasing action will require the developer to submit and receive approval for zoning modifications to allow for residential development on a portion of the property. Future development will be required to comply with zoning and comprehensive plan land use designations.*
- m. Proposed measures to ensure the proposal is compatible with nearby agricultural and forest lands of long-term commercial significance, if any: *N/A.*

9. Housing

- a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing. *The ground leasing action would not supply any units. Future development may result in approximately 300 housing units for moderate income families.*
- b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing. *The subject property is currently vacant, undeveloped land therefore no housing units will be eliminated.*
- c. Proposed measures to reduce or control housing impacts, if any: *There are no measures to reduce or control housing impacts relating to the ground leasing action.*

10. Aesthetics

- a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed? *No structures are proposed for the ground leasing action. Future development will comply with the city of Lacey zoning code with a maximum building height = 35 feet.*
- b. What views in the immediate vicinity would be altered or obstructed? *None.*
- b. Proposed measures to reduce or control aesthetic impacts, if any: *There are no aesthetic impacts to reduce or control for the ground leasing action.*

11. Light and Glare

- a. What type of light or glare will the proposal produce? What time of day would it mainly occur? *No light or glare would be produced for the ground leasing action.*
- b. Could light or glare from the finished project be a safety hazard or interfere with views? *N/A.*
- c. What existing off-site sources of light or glare may affect your proposal? *None known.*
- d. Proposed measures to reduce or control light and glare impacts, if any: *N/A.*

12. Recreation

- a. What designated and informal recreational opportunities are in the immediate vicinity? *None per the Lacey Parks & Recreation map.*
- b. Would the proposed project displace any existing recreational uses? If so, describe. *No.*
- c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any: *N/A*

13. Historic and cultural preservation

- a. Are there any buildings, structures, or sites, located on or near the site that are over 45 years old listed in or eligible for listing in national, state, or local preservation registers? If so, specifically describe. *None known.*
- b. Are there any landmarks, features, or other evidence of Indian or historic use or occupation? This may include human burials or old cemeteries. Are there any material evidence, artifacts, or areas of cultural importance on or near the site? Please list any professional studies conducted at the site to identify such resources. *There are no landmarks, features or other evidence of Indian or historic use or occupation and no material evidence, artifacts, or areas of cultural importance on or near the site.*
- c. Describe the methods used to assess the potential impacts to cultural and historic resources on or near the project site. Examples include consultation with tribes and the department of archeology and historic preservation, archaeological surveys, historic maps, *GIS data, etc.* *DNR has searched the Washington State Department of Archaeology and Historic Preservation (DAHP) and there is nothing documented within the parcel or within a mile of*

the parcel. DNR also searched its GLO maps, USGS maps, and DNR tract books for any visual or documented sites or anomalies.

- d. Proposed measures to avoid, minimize, or compensate for loss, changes to, and disturbance to resources. Please include plans for the above and any permits that may be required.....
No cultural resources are present at the project site. No ground disturbing activities are proposed for this ground leasing action.

14. Transportation

- a. Identify public streets and highways serving the site or affected geographic area and describe proposed access to the existing street system. Show on site plans, if any. *The site is directly adjacent to Meridian Rd. SE with access from Meridian Rd SE.*
- b. Is the site or affected geographic area currently served by public transit? If so, generally describe. If not, what is the approximate distance to the nearest transit stop? *The site is not served by public transit. The closest bus stop is Mullen Rd at Tri-Lake Dr. Bus Route 67 approximately 1 mile from the site.*
- c. Will the proposal require any new or improvements to existing roads, streets, pedestrian, bicycle or state transportation facilities, not including driveways? If so, generally describe (indicate whether public or private). *The ground lease phase will not require any new roads or improvements to existing roads.*
- d. Will the project or proposal use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe. *There is no water, rail, or air transportation in the immediate vicinity.*
- e. How many vehicular trips per day would be generated by the completed project or proposal? If known, indicate when peak volumes would occur and what percentage of the volume would be trucks (such as commercial and non-passenger vehicles). What data or transportation models were used to make these estimates? *The initial ground lease phase will not generate any additional vehicular trips per day.*
- f. Will the proposal interfere with, affect or be affected by the movement of agricultural and forest products on roads or streets in the area? If so, generally describe. *The initial ground lease phase will not impact movement of agricultural and forest products.*
- g. Proposed measures to reduce or control transportation impacts, if any: *There is no transportation impact from the initial ground lease phase.*

15. Public Services

- a. Would the project result in an increased need for public services (for example: fire protection, police protection, public transit, health care, schools, other)? If so, generally describe. *The initial ground lease phase would impact public services. Future phases would add to the population served by the following resources: the Lacey Fire District, M6 Medic Response District, Evergreen Forest Elementary School, Nisqually Middle School, and River Ridge High School in North Thurston County. These public services will benefit from the taxes on the built improvements. (With the passage of ESHB2003, DNR trust land used to create 100% housing affordable to families earning 0-80% AMI would be exempt from the 12.84% leasehold excise tax. The improvements on the property would still be subject to the leasehold excise tax).*
- b. Proposed measures to reduce or control direct impacts on public services, if any. *Not applicable for the ground lease. Future ground lessees would be taxed at the 12.84% leasehold excise tax rate.*

16. Utilities

- a. Circle utilities currently available at the site: electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, other _____. *None known at this time. Future development will be required to utilize local utility providers.*
- b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed. *The ground lease phase does not have utilities or general construction activities. Future development will be required to hook up to the City of Lacey’s sewer and water systems and utilize existing providers for electricity, phone/internet, and refuse.*

C. Signature

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature: *Kari R. Fagerness*

Name of signee: Kari R. Fagerness

Position and Agency/Organization: Assistant Division Manager for Product Sales & Leasing -
DNR

Date Submitted: 5/7/2024